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NAKASONE, USSR'S KUNAYEV TO HOLD TALKS 26 OCT

OW131251 Tokyo KYODO in English 1243 GMT 13 Oct 84

[Text] Tokyo, Oct. 13 KYODO -- Prime Minister Yasuhiro Nakasone will hold talks with Dinmukhamed Kunayev, Soviet party Politburo and Supreme Soviet Presidium member who will arrive in Japan later this month, in a bid to improve relations between the two countries, government sources said Saturday. It will be the first meeting between a Japanese prime minister and a Supreme Soviet Presidium member-class official from the Soviet Union since then Prime Minister Takeo Miki met with Soviet Foreign Minister Andrey Gromyko in Tokyo in January 1976. The sources said Nakasone will meet with Kunayev on October 26.

Kunayev is scheduled to arrive Japan as the leader of a delegation made up of about 10 members of the Supreme Soviet for a visit at the invitation of the speaker of the House of Representatives and the president of the House of Councillors. During the meeting with Kunayev, Nakasone is expected to express his readiness to maintain dialogue with the Soviet Union and to ask that Foreign Minister Gromyko visit Japan in the near future to resume a Japan-Soviet foreign ministers conference.

A Supreme Soviet delegation had been scheduled to visit Japan in January 1980. But Japan turned down the visit in protest against the 1979 Soviet military advance into Afghanistan. Leaders of both houses of the Diet (parliament) decided to invite the Soviet mission in June in consideration of future relations between the two countries.

SOVIET TRADE MINISTER TO VISIT 12-14 DEC

OW150611 Tokyo KYODO in English 0545 GMT 15 Oct 84

[Text] Tokyo, Oct. 15 KYODO -- Hiroshi Anzai, chairman of the Japan-Soviet Business Cooperation Committee, said Monday the Committee will hold a joint session within five years since the Soviet invasion of Afghanistan in 1979. The agenda, Anzai said, will be settled after consultation with the Soviet side. The session is scheduled to be attended by a 50-member Soviet delegation led by Foreign Trade Minister Nikolay Patolivhe, Anzai said.

COMMUNIQUE ISSUED AT JOINT USSR CONFERENCE

For a KYODO report on the communique issued at the 4th roundtable conference of Soviet and Japanese representatives held in Moscow 10-12 October, see the 15 October Soviet Union DAILY REPORT, page C 3.

PRIVATE FISHERY ACCORD SIGNED WITH NORTH KOREA

OW150409 Tokyo KYODO in English 0359 GMT 15 Oct 84

[Text] Tokyo, Oct. 15 KYODO -- Japan and North Korea signed a private fishery agreement in Pyongyang Monday, opening the way for improved relations between the two countries which have no diplomatic ties. Officials of the Japanese Government called the new agreement "good news."

The accord, taking effect November 1, runs to the end of 1986, replacing one that expired in June 1982. Agreement on the new fishery accord came after four days of talks in Pyongyang between Japanese delegation members and North Korean officials. The signing at 11 a.m. was confirmed by the government here.

Although details of the new accord have yet to be made public, House of Representatives member Yoichi Tani, who is heading the Japanese delegation at the negotiations in Pyongyang, said in a telephone interview with KYODO Sunday night that its substance is the same as that of the previous agreement. This means Japanese fishermen do not have to pay fees to operate within North Korean waters in the Sea of Japan. He also said that officials of Japanese and North Korean fishery organizations have agreed to set up a joint committee to monitor operations by Japanese fishermen within North Korea's 200-mile economic zone, rich in such marine resources as squid and mackerel. The fishing season starts in November. Earlier this year, the skipper of a small Japanese fishing vessel operating off the North Korean coast was shot dead by the crew of a North Korean patrol boat.

The North Korean officials included Hyon Chun-kuk, a Central Committee member of the Korea Workers' Party. Hyon, also chairman of the Korea-Japan Goodwill and Friendship Association, was originally invited to Tokyo by the Japanese parliamentary group for talks on a new fishery agreement. The Tokyo Government, however, refused him entry as part of its sanctions against North Korea in connection with the terrorist bomb attack on South Korean Government officials in Rangoon, Burma, in October of last year. A breakthrough was made last month when North Korean President Kim Il-song, in a meeting with visiting Japan Socialist party chief Masashi Ishibashi, invited a Japanese delegation to Pyongyang to discuss renewal of the fishery agreement.

Japanese Government sources said in Tokyo Monday the agreement should step up the pace of improvement in Japan-North Korea relations, tarnished following the Rangoon incident, in which four South Korean Cabinet ministers were killed by a bomb allegedly planted by North Korean agents. The sources also said the North Korean agreement to the new accord is another sign of Pyongyang's softened foreign policy. This will help the Japanese Government to lift retaliatory measures taken against North Korea over the Rangoon incident, the sources added.

#### Accord Welcomed

0W150417 Tokyo KYODO in English 0404 GMT 15 Oct 84

[Text] Tokyo, Oct. 15 KYODO -- The Japanese Government Monday welcomed the signing of a Japan-North Korea fishery agreement, saying it will improve Tokyo-Pyongyang relations, as well as help to greatly reduce tensions on the Korean peninsula. A Foreign Ministry official said North Korea agreed to sign the private accord in a demonstration of its new "realistic" approach to Japan, with which it has no diplomatic relations. The official also said that the North Korean action may lead to the lifting of Japanese sanctions against the Pyongyang government for the North Korean-engineered terrorist bombing in Rangoon last October, in which four South Korean Cabinet ministers were killed.

A Japanese parliamentary delegation signed the agreement in Pyongyang Monday morning after four days of negotiation with North Korean authorities there. The previous accord expired in June 1982, which barred Japanese fishermen from North Korea's 200-mile economic zone in the Sea of Japan.

The Foreign Ministry official, who asked not to be named, said the government will talk to delegation members about North Korea when they return to Tokyo. The official also said Vice Foreign Minister Nobuo Matsungaga will brief South Korean Government leaders on the Japan-North Korea fishery agreement during a Seoul visit that begins Friday.

With the signing of the accord, the government will start considering lifting sanctions against North Korea, the official added.

Nakasone has said he will carefully watch the results of the Japanese delegation's visit. The official said North Korea's positive attitude toward renewal of the fishery agreement testifies to a desire for improved relations with Japan, which Pyongyang has evidenced over the past several months. This is also part of the country's softened approach to its neighbors, said the official who also cited the recent delivery of relief goods for South Korean flood victims.

#### ROK CALL FOR DIALOGUE WITH NORTH LAUDED

OW121339 Tokyo KYODO in English 1203 GMT 12 Oct 84

[Text] Tokyo, Oct. 12 KYODO -- Japan Friday welcomed South Korea's proposal for economic dialogue with North Korea as a good sign of improving relations between the two sides on the Korean peninsula. "It's a good sign, and North Korea may accept South Korea's proposal," a ranking Foreign Ministry official said. The official, who asked not to be named, was commenting on a proposal Seoul made Thursday for dialogue with the North aimed at improving ties between them in the fields of trade and economic cooperation. The official, however, was rather negative about the possibility that the move would lead to a political dialogue between two Koreas in the foreseeable future. As for Japan's sanctions against North Korea in connection with last year's Rangoon bombing incident, the official said the lifting of them is being studied within the government in the context of the latest developments on the peninsula. "When the time is ripe, that will be matter for a political decision," he said.

#### BUSINESS LEADERS RETURN FROM SOUTH KOREAN VISIT

OW121343 Tokyo KYODO in English 1237 GMT 12 Oct 84

[Text] Tokyo, Oct. 12 KYODO -- A delegation of Japanese business leaders returned home Friday following a week-long visit to South Korea aimed at finding ways to increase imports from that country. The delegation was led by Taiichiro Matsuo, chairman of Marubeni Corp., a major Japanese general trading company.

#### SMALL FISHING VESSEL CAPTURED BY ROK PATROL BOAT

OW150403 Tokyo KYODO in English 0355 GMT 15 Oct 84

[Text] Nagasaki, Oct. 15 KYODO -- A South Korean patrol boat captured a small Japanese fishing vessel Monday in the South Korean economic zone off the Japanese island of Tsushima, western Japan. Two patrol boats of Japan's Maritime Safety Agency (MSA) rushed to the scene and asked the South Korea's not to seize the 3.28-tonne Kiku Maru, manned only by the skipper, Takeshi Jingu, 47. The request was rejected, an MSA spokesman said.

#### MINISTRY NOT TO ISSUE VISA TO PRK OFFICIAL

OW120941 Tokyo KYODO in English 0910 GMT 12 Oct 84

[Text] Tokyo, Oct 12 KYODO -- Japan will not issue a visa to a senior official of the Vietnam-backed Heng Samrin government in Phnom Penh, a high-ranking Japanese Foreign Ministry official said Friday. The official made the remark after Japan Communist Party officials called on Foreign Minister Shintaro Abe and requested that the Kampuchean official be permitted entry. The Japan Communist Party sent a delegation to Kampuchea recently and met officials of the Heng Samrin government.

"Japan does not recognize the Heng Samrin government," the ministry official commented on the condition he not be identified by name. The Japanese Government instead supports a three-party coalition fighting the pro-Hanoi Kampuchean Government. The official's statement came only a day after Abe conferred with Thai Foreign Minister Sitthi Sawetsila on the Kampuchean question. Sitthi expressed skepticism about the possibility of an early dialogue between Vietnam and the Association of Southeast Asian nations (ASEAN) backing the coalition headed by Prince Norodom Sihanouk.

MINISTRY NOTES 'RECORD' JAN-JUN TRADE SURPLUS

OW110851 Tokyo KYODO in English 0754 GMT 11 Oct 84

[Text] Tokyo, Oct. 11 KYODO -- Japan posted a half-year record trade surplus of 17.78 billion dollars on a customs clearance basis in the first half of fiscal 1984, exceeding the previous peak of 12.70 billion dollars marked in the same period of the last fiscal year, the Finance Ministry said in a preliminary report Thursday. The record trade surplus was due mainly to brisk office equipment, electronic parts, machinery and other exports to the U.S., ministry officials said.

Preliminary figures showed Japan's exports on free on board (FOB) basis totaled a record semi-annual figure of 86.26 billion dollars, up 17.9 percent from a year ago and compared with the previous high of 79.50 billion dollars in the latter half of fiscal 1983. Imports in the April-September period on a cost, insurance and freight (CIF) basis, amounted to 68.47 billion dollars, up 13.2 percent from the same period of fiscal 1983. Japan's exports to the U.S. soared 45.1 percent from a year ago to a record semi-annual figure of 31.21 billion dollars while imports advanced 8.8 percent also to a record 13.50 billion dollars, resulting in a record trade surplus of 17.71 billion dollars. The previous records with the U.S. were 25.23 billion dollars in exports and 13.29 billion dollars in imports, coming to a trade surplus of 11.94 billion dollars, all marked in the previous six-month period. Exports of office equipment to the U.S. soared 60 percent to 2.13 billion dollars, communications equipment 75.1 percent to 1.07 billion dollars and semiconductors and electronic parts 93.7 percent to 1.12 billion dollars and automobiles 30/3 percent to 8.43 billion dollars. Japan's imports of U.S. semiconductors, electronic parts, office equipment and other machinery rose 9.6 percent to 3.43 billion dollars.

Japan's exports to the European Community (EC) countries rose 7.4 percent to 9.58 billion dollars while imports went up 15.1 percent to a record 4.80 billion dollars, leading to a trade surplus of 4.79 billion dollars. Japan's exports to Southeast Asian countries, South Korea, Taiwan, Hong Kong and India, rose 7.3 percent to 18.62 billion dollars while its imports from the region jumped 21.8 percent to 15.98 billion dollars, leaving Japan with a trade surplus of 2.65 billion dollars.

Japan's trade surplus in September came to a record monthly trade surplus of 4.49 billion dollars, surpassing the previous high of 4.02 billion dollars marked in June of this year, according to the preliminary figures. Exports in the month rose 14.4 percent from a year ago to 14.63 billion dollars while imports declined 2.5 percent to 10.14 billion dollars. September imports of crude oil and oil related products fell in reaction to a front-loaded shipment in August prior to an oil tax increase as of September 1, the officials said. Exports to the U.S. jumped 30.8 percent to 5.34 billion dollars while imports edged up 1.3 percent to 2.03 billion dollars, resulting in an all-time high trade surplus of 3.31 billion dollars. The previous monthly trade surplus record with the U.S. was 3.25 billion dollars marked in July this year.

CHONGNYON COUNCIL OFFERS RELIEF GOODS FOR SOUTH

SK130151 Pyongyang Domestic Service in Korean 0000 GMT 13 Oct 84

[Text] A consultative council of the Japan-resident compatriots for giving relief to the South Korean flood victims has been organized, Yi Kye-paek, chairman of the consultative council, has sent a telegram to the president of the South Korean Red Cross Society. A consultative council of the Japan-resident compatriots for giving relief to the South Korean flood victims was formed on 12 October.

The compatriots in Japan could not suppress their deep emotion and gladness concerning the epochal event, the first of its kind in the nearly 40-year-long history of division upon hearing of the realization of the republic's relief measure for the South Korean flood victims. In this connection, they, too, ardently wished to render some help to the South Korean flood victims with the approach of the cold winter. Thus, as a result of negotiations among representatives of the Japan-resident compatriots of various walks of life of Chongnyon not long ago, this council was organized.

The council is composed of Yi Kye-paek chairman. (Pak Chong-yun), (Chon Yong-sik), (Kim Hak-su), (No Chae-ho), (Choe In-hwa), (Kim Tae-kon), (Ho Nam-ki), (Hyon Chong-won) (Chang Tae-song), and (Chang Kap-song), vice chairmen, and (Pak Tong-chon), secretary general.

Also, similar consultative councils of prefectures have been formed in various provinces in Japan. That day, Yi Kye-paek, chairman of the consultative council of the Japan-resident compatriots for giving relief to the South Korean flood victims, held a press conference in Tokyo in which he announced, for domestic and foreign consumption that the consultative council has been organized on this occasion and that he has sent a telegram to the president of the South Korean Red Cross Society. He also disclosed the contents of the telegram. The press conference was also attended by (Pak Tong-chon), secretary general of the consultative council of the Japan-resident compatriots for giving relief to the South Korean flood victims.

The 12 October telegram sent by Yi Kye-paek, chairman of the consultative council of the Japan-resident compatriots for giving relief to the South Korean flood victims, to Yu Chang-sun, president of the South Korean Red Cross Society, notes the following:

The news that the DPRK Red Cross Society has delivered relief goods to your Red Cross Society from the compatriotic love to alleviate the pains of the flood victims who suffered great damage by the heavy rain in vast areas, including Seoul, in early September has shrouded all the compatriots in Japan with boundless gladness, deep emotion, and excitement. How beautiful it is to stretch out hands of relief to the compatriots who have suffered a calamity and to give each other mutual help, transcending differences in ideologies, thoughts, and systems!

For the first time in the stark history of national division that has lasted for nearly 40 years, warm compatriotic love has been exchanged between the North and the South. This impressive fact has aroused a strong emotion beyond description among our compatriots who reside overseas, away from the fatherland.

We sincerely desire this relief work for the flood victims to serve as an epochal turning point in realizing multisided collaboration and exchanges between the North and the South and pioneering the road to the fatherland's reunification. The ardent wish to alleviate, a little, the misfortunes and pains of the flood victims is also being fiercely aroused among the compatriots in Japan, who have watched with great interest this historic event in which genuine, warm compatriotic love is overflowing between the consanguineous people.

We cannot stand idle as consanguineous brothers at the thought that our compatriots who have lost their household effects as a result of the flood are going to face a cold winter soon. We have organized the Consultative Council of the Japan-resident compatriots for giving relief to the South Korean flood victims in order to render some small help to the flood victims for the cold winter. We are going to send relief goods as follows, collecting the compatriotic funds from all the compatriots in Japan:

1. We will send 50,000 blankets and school supplies as relief goods.
2. The relief goods shall be delivered by ship to Pusan port or Inchon port by 30 November. Representatives of the Consultative Council of the Japan-resident compatriots for giving relief to the South Korean flood victims shall board the ships and deliver the goods to your Red Cross Society.

We think that it would be good for your Red Cross Society to send a reply, by telegram, to our compatriotic offer directly to the Consultative Council of the Japan-resident compatriots for giving relief to the South Korean flood victims or to send a reply through the DPRK Red Cross Society, by 18 October.

We anticipate an affirmative reply from your Red Cross Society.

PAPER NOTES ANNIVERSARY OF DCRK PROPOSAL

SK120508 Pyongyang Domestic Service in Korean 2144 GMT 11 Oct 84

[NODONG SINMUN 12 Octmber article: "The Great Reunification Program Reflecting the Desire of the Nation"]

[Text] Four years have elapsed since the respected and beloved leader Comrade Kim Il-song, at the historic sixth congress of our party, put forth the new reunification proposal for the establishment of the Democratic Confederal Republic of Koryo [DCRK], a unified confederate state.

The great leader Comrade Kim Il-song has taught: Our party holds that the fatherland should be reunified by founding a confederal republic through the establishment of a unified national government on condition that the North and the South recognize and tolerate each other's ideas and social systems, a government in which the two sides are represented on an equal footing and under which they exercise respective regional autonomy, with equal rights and duties.

The great leader Comrade Kim Il-song's announcement of the proposal for the establishment of the DCRK was an epochal event which was of great significance for our people's struggle for the fatherland's reunification. The proposal to reunify the fatherland by founding a confederal state and by leaving the existing systems of the North and the South intact is a unique one base on the possibilities for the coexistence of two different social systems in a country, a realistic one based on a scientific analysis of the situation of the North and the South in our divided country, and a patriotic and peace-oriented one reflecting the interest of the nation and the desire to defend the peace of Korea and Asia.

The proposal for founding a confederal state is an embodiment of the demand of the immortal chuche idea to protect and defend the soverignty of the nation. In our era, in which the struggle for the independence of working people is waged by each unit of the national state, the achievement of national sovereignty is a fundamental matter for the settlement of the national question.

The proposal for founding a confederal state shows the most direct way to achieve the reunification of the country by placing the interest of the nation at the top of the list and by taking as a basis the national idea. The proposal has equally and fairly reflected the interests of the North and the South, along with the basic interest of our nation. It shows the way to achieve true national harmony through which the North and the South can participate in operations of state with equal rights and duties, and live harmoniously in a single unified state by putting an end to the history of antagonism and confrontation.

The proposal for founding a confederal state is the great reunification program which has delineated the path to achieving the reunification of the fatherland -- the supreme task of the nation -- in accordance with the specific condition of the country, the desire of the nation, and the demand of the times. This is the reason why the proposal, since the first day of its announcement, has earned a warm welcome among our people and peoples of the world, and is still serving as the banner of encouragement accelerating the fatherland's reunification.

Our people's cherished desire for the fatherland's reunification has not been realized because of the hampering maneuvers of the U.S. imperialists and their stooges, who are trying to create two Koreas and maintain South Korea as the U.S. colony and military base. The splittists of South Korea are promoting antagonism and distrust in the nation by instigating North-South confrontation at home, and scheming to obtain international recognition of the division of Korea by publicizing the simultaneous U.S. membership of North and South Korea and their cross-recognition.

The fatherland's reunification is the task of the nation and, thus, can be achieved only through the concentrated efforts of the patriotic forces of the North and the South. There are differences in the ideas, concepts, and systems of the North and the South. But we can remove the barrier of the division and achieve the cause of the fatherland's reunification if we find points in common and concentrate efforts in accordance with the three principles of independence, peace, and grand national unity which were proclaimed at home and abroad when the joint reunification program of the nation was made public in the 4 July North-South joint statement.

To achieve the unity of the nation, the democratization of social and political lives must be achieved in South Korea, and the anticommunist rackets of sowing the seeds of disharmony in the nation, and increasing antagonism and confrontation must be brought to an end. As long as anticommunist rackets continue, disallowing the freedom of people's expression of thought and their free discussion of the question of the reunification and instigating antagonism in the nation, it is impossible to achieve national harmony and unity and to take any positive step for the reunification of the country. In South Korea, the fascist evil laws of unjustly suppressing people's social and political activities and the freedom of thought must be guaranteed for the political parties, organizations, and people of all strata seeking democracy and peaceful reunification, and the arrested and detained patriots and democratic personages must be released.

Collaboration and unity between the North and the South and the fatherland's reunification can be achieved only when tensions are mitigated in Korea and the danger of war is eliminated there. There are tens of thousands of U.S. troops in South Korea, and the North and the South are continuing the military confrontation with the Military Demarcation Line between them. New military equipment are constantly brought into South Korea which has turned into U.S. nuclear base, and military buildup continues there. Because of the continuing military exercises and provocative maneuvers in South Korea, the situation of the Korean peninsula is being increasingly aggravated, and the danger of war is growing.

The mitigation of tensions is a prerequisite to the improvement and development of the North-South relations, and to the settlement of the question of the nation's reunification. The questions of mitigating tensions and eliminating the danger of war can be settled only through the replacement of the Korean cease-fire with a durable peace and the elimination of the North-South military confrontation. In order to fulfill this demand, we have proposed the tripartite talks among us, the United States, and South Korea, to discuss mainly the conclusion of a Korea-U.S. peace agreement, the withdrawal of the U.S. forces from South Korea, and the adoption of the North-South declaration of nonaggression.

If they desire a peaceful settlement of the Korean question, the United States and South Korea must respond to our proposal for tripartite talks without delay. Reunifying the fatherland by putting an end to the history of the nation's division is an urgent task of the nation whose accomplishment no longer can be delayed. If all patriotic forces of the North and the South will concentrate their efforts and wage a pan-national struggle to found the DCRK, our people can frustrate and smash the domestic and foreign splitists' schemes for two Koreas and achieve the historic cause of the fatherland's reunification. Our people's aspiration for founding the DCRK, a single confederal state, through the reunification of the divided fatherland, is firm. By achieving the historic cause of the fatherland's reunification under the support and encouragement of the peoples of the world who desire peace in Korea and its peaceful reunification, our people will found a single unified state in the fatherland without fail.

#### MINISTER KIM YONG-NAM CONTINUES BUSINESS AT UN

##### Meets Bulgarian Counterpart

SK141022 Pyongyang KCNA in English 0845 GMT 14 Oct 84

[Text] Pyongyang October 14 (KCNA) -- Vice-Premier and Foreign Minister Kim Yong-nam staying in New York on October 4 met and had a conversation with Petur Mladenov, foreign minister of the Bulgarian People's Republic, according to a report. The two foreign ministers highly estimated the friendly and cooperative relations between Korea and Bulgaria strengthening and developing with the Bulgarian visit of the great leader Comrade Kim Il-song some time ago as an occasion and expressed their firm resolve to further develop these relations in an overall way in the future. They also exchanged views on a series of problems of common concern. The conversation passed in a friendly atmosphere.

##### Talks With African Ministers

SK120347 Pyongyang KCNA in English 0334 GMT 12 Oct 84

[Text] Pyongyang October 12 (KCNA) -- Kim Yong-nam, vice-premier and foreign minister of our country, staying in New York on October 8 met and had conversations with Ide Oumarou, minister of foreign affairs and cooperation of Niger, and Francois Ngarukiyintwali, minister of foreign affairs and cooperation of Rwanda, according to a report. Views were exchanged on matters of common concern. The conversations took place in a friendly atmosphere.

##### Arranges Banquet at UN

SK130413 Pyongyang KCNA in English 2200 GMT 12 Oct 84

[Text] Pyongyang October 13 (KCNA) -- Kim Yong-nam, vice-premier and foreign minister of our country, staying in New York arranged a banquet in the building of the United Nations Headquarters on October 8, according to a report from the U.N. Headquarters.

Present at the banquet were the foreign ministers of various countries and heads of delegations to the 39th United Nations General Assembly, the president of the 39th U.N. General Assembly, deputy secretaries general of the United Nations, representatives of various countries in the United Nations, U.S. academic and public figures and reporters, and Korean residents in the United States, more than 400 in all. The banquet passed in a friendly atmosphere.

Meets Ukrainian, Other

SK141017 Pyongyang KCNA in English 0843 GMT 14 Oct 84

[Text] Pyongyang October 14 (KCNA) -- Vice-Premier and Foreign Minister Kim Yong-nam staying in New York, on October 8 met and had conversations with V.N. Martinenko, foreign minister of the Ukrainian Soviet Socialist Republic; A.Ye. Gurinovich, foreign minister of the Belorussian Soviet Socialist republic; and Troyanovskiy, permanent representative of the Soviet Union to the United Nations, according to a report.

They stressed that the historic visit of the great leader President Kim Il-song to the Soviet Union some time ago was an event of epochal significance in further strengthening and developing the friendly and cooperative relations between Korea and the Soviet Union and reaffirmed that they would strive to further develop these relations in the future. The conversations took place in a friendly atmosphere.

Talks With Oskar Fischer

SK130347 Pyongyang KCNA in English 0334 GMT 13 Oct 84

[Text] Pyongyang October 13 (KCNA) -- Kim Yong-nam, vice-premier and foreign minister of our country, staying in New York met and had a conversation with Oskar Fischer, foreign minister of the German Democratic Republic, on October 8, according to a report. The foreign ministers of the two countries highly estimated the further development and strengthening of the friendly and cooperative relations between Korea and the German Democratic Republic after the recent significant meeting between Comrade Kim Il-song and Comrade Erich Honecker. They exchanged views on a series of matters of common concern including the question of more favourably developing the friendly and cooperative relations between the two countries on this basis. The conversation took place in a friendly atmosphere.

PDRY'S 'ALI NASIR MUHAMMAD CONTINUES VISIT

Kim Speaks at Banquet

SK081620 Pyongyang KCNA in English 1532 GMT 8 Oct 84

[Text] Pyongyang October 8 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, made a speech at a grand banquet he arranged this evening at the Kumsusan Assembly Hall in honor of the party and government delegation of the People's Democratic Republic of Yemen [PDRY] headed by Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the PDRY. President Kim Il-song said in part:

[Pyongyang Domestic Service in Korean at 2100 GMT on 8 October 1984 carries a report on a speech by DPRK President Kim Il-song at a banquet in honor of PDRY Chairman of the Council of Ministers 'Ali Nasir Muhammad. The Pyongyang radio report has been compared to the Pyongyang KCNA English version and at this point provides the additional passage: "Comrade Chairman 'Ali Nasir Muhammad, our intimate friend; comrades from Democratic Yemen; comrades; and friends: Today we have very joyously greeted the party and government delegation of Democratic Yemen headed by esteemed Comrade 'Ali Nasir Muhammad."]

Allow me, on behalf of the Central Committee of our party, the government of our republic, the Korean people and on my own, to offer a warm welcome to you, Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council, and chairman of the Council of Ministers, of the People's Democratic Republic of Yemen, and to the members of the friendship mission from Democratic Yemen.

[At this point, the radio version adds: "Friendly visits between heads of state are of great significance in deepening mutual trust and strengthening friendship and solidarity between countries and peoples. The comrade chairman visited our country as head of Government of Democratic Yemen in April 1978 and is visiting our country this time again as head of state. This clearly shows that you hold a deep friendship toward us and that outstanding relations of friendship exist between the peoples of our two countries."]

The peoples of Korea and Democratic Yemen are intimate brothers and comrades-in-arms who have knit unbreakable bonds of friendship on the road of struggle against imperialism and for the creation of an independent new life.

The Democratic Yemeni people achieved the independence of their country through an arduous armed struggle and have vigorously advanced on the road of socialist development without vacillation under the unfurled banner of revolution, in spite of difficult conditions of ceaseless imperialist manoeuvres for aggression, subversion and sabotage particularly since the corrective measures were taken in 1969.

Today, Democratic Yemen is a bulwark of struggle against imperialism and for independence in the Arabian peninsula. It has been making great changes in accomplishing the national democratic revolution and in shaking off underdevelopment and poverty, the legacies of colonialism.

The Korean people are heartily rejoiced at the success achieved by the fraternal Democratic Yemeni people in carrying out the task of building a new society by bravely overcoming all difficulties under the correct leadership of the Yemen Socialist Party headed by their outstanding leader Comrade 'Ali Nasir Muhammad.

The Yemen Socialist Party and the Government of Democratic Yemen are striving to reunify Yemen on a peaceful and democratic basis, to achieve a just settlement of the Middle East issue in opposition to imperialism and Israeli Zionists and to ensure durable peace and security in this part of the world. For a comprehensive and fair settlement of the Middle East issue which involves the danger of new world war now, it is imperative, first of all, to end the imperialist and zionist moves of aggression and intervention in this area, to get Israeli aggressors out of all Arab lands including South Lebanon under their occupation and to restore the Palestinian people's rights to self-determination and establishment of an independent state and other inalienable, legitimate national rights.

Availing myself of this opportunity, I express firm solidarity with the peoples of Palestine, Lebanon, Syria and all other Arab countries in their just struggle to safeguard their national independence and dignity and to restore their lost territories.

A burning issue which awaits settlement in the Eastern Asia at the moment is the Korean question. In order to ease the tension in the Korean peninsula and to make a breakthrough in the peaceful settlement of the Korean question, we made a proposal early this year to hold a tripartite talk between the DPRK, the United States and South Korea. We consistently advocate peace, not war, and assert negotiations, not confrontation. The question of Korea's peaceful reunification can be settled, after all, by breaking the deadlock in the relations between the DPRK and the United States, between the North and the South of Korea and by establishing a confederal state in North and South, through negotiations between the parties which are responsible.

The party, government and people of Democratic Yemen have always given active support and encouragement to our people's struggle for the independent, peaceful reunification of their country. For this I express deep thanks to you Comrade Chairman and the party, government and people of Democratic Yemen.

Our two countries are closely supporting and cooperating with each other from the same position and with the same views not only in bilateral but international relations as well. Our two countries have a unanimous view also on problems of establishing a new international economic order and of realizing effective South-South cooperation in particular, the most urgent questions now confronting the non-aligned and developing countries. Under the present situation where the developed industrial countries in the West are reluctant to establish a new international economic order, I deem it necessary for the non-aligned and developing countries to direct great efforts to effecting South-South cooperation and take concrete measures to realize economic and technical cooperation step by step, beginning with the fields where there are real possibilities. This will be a shortcut to the gradual and overall expansion and development of South-South cooperation and, further more, to the establishment of a new international economic order.

When the non-aligned and developing countries consolidate their political independence and all advance independently by building their own national economies through successful South-South cooperation, they will be able to prevent a new world war and defend world peace. We are convinced that we will contribute to promoting the common cause of the peoples of the newly-emerging countries by fully discussing various problems of common concern with comrade chairman of this occasion and by ushering a new epoch in strengthening and developing the relations of friendship and cooperation between the two countries.

In conclusion, President Kim Il-song proposed a toast to the indestructible brotherly friendship and solidarity between the Korean and Democratic Yemeni peoples and to the health of esteemed Comrade Chairman 'Ali Nasir Muhammad.

[Pyongyang Domestic Service renders the previous paragraph as: "At this happy place where I am meeting my intimate friend the comrade chairman, once again, I would like to offer a toast to the invincible fraternal friendship and solidarity between the peoples of Korea and Democratic Yemen, to the prosperity and development of the Democratic People's Republic of Yemen, to the unity of the peoples of socialist countries, non-aligned countries, and the peace-loving forces of the world, to the health of esteemed Comrade Chairman 'Ali Nasir Muhammad, to the health of our guests from Democratic Yemen, and to the health of the comrades and friends present here."]

## PDRY Leader Speaks

SK081800 Pyongyang KCNA in English 1706 GMT 8 Oct 84

[Text] Pyongyang October 8 (KCNA) -- 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY], made a speech at the banquet arranged on October 8 by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea.

Noting that the development of Pyongyang reflected the greatness of the tremendous socialist successes which the people of the Democratic People's Republic of Korea have already achieved and are achieving under the leadership of Comrade Kim Il-song, he said.

The successes of the friendly Korean people in socialist construction eloquently prove the ample possibility and strength of a people who are fighting for freedom and socialism and, at the same time, confirm that the plots of imperialists and the reactionaries have been frustrated and they cannot call a halt to the onward movement of the people.

We can say that the friendly and cooperative relations between our two countries have developed through the joint struggle waged by the Democratic Yemeni and Korean peoples against all manner of aggression and intrigues of the imperialists and reactionaries and for progress and socialism.

Expressing pride in and satisfaction over the strengthening and development of friendly relations between Democratic Yemen and Democratic Korea, we reassure you that we will continuously develop these relations in the interest of our common revolutionary cause.

Today the international situation is very tense because the world imperialists headed by the U.S. Administration pursue the policy of stepping up the arms race and militarisation of outer space, producing, stockpiling and disseminating destructive nuclear weapons and setting up military bases and deploying naval fleets on the continents and oceans, approaches to seas and coasts. As in Europe, the Korean peninsula, Caribbean and Central America, tension is being heightened in the Middle East due to the continued aggressive and expansionist policy of the Israeli Zionists with the open backing of the U.S. imperialists, and this area is exposed to danger. The U.S. imperialists are encouraging Israel's occupation of the Arab land and inspiring and patronising the brutal massacre of Israel which is trampling underfoot the rights of the Palestinian and Lebanese people, and continually violating Arab's legitimate rights. Further, in an attempt to invent a pretext for strengthening their military stationing in the Arab's Gulf, Mediterranean and Red Sea they try to directly meddle in the question of these areas which is acute on a world-wide scale and threaten progressive systems and patriotic forces in Arab and Africa with the Syrian, Democratic Yemeni, Algerian, Ethiopian and Palestinian revolutions and the national movement in Lebanon in the van.

We think that peace and security in the Middle East area cannot be realised without a complete recognition of the right of the Palestinian Arab people led by the Palestine Liberation Organisation, their sole legitimate representative, the return of the homeland and their right to self-determination and right to found an independent state. And an end must be put to all manner of military existence of the imperialists in this region.

Only the countries in this region bear the responsibility for the preservation of security and stability in this area and safe international navigation in the channel of this region.

Proceeding from this, our country supported the proposal of the Soviet Union for the settlement of the Middle East question. We think that this proposal is a realistic and practical one for realising peace in this area and guaranteeing all countries in this area including a Palestinian state which must be founded without fail in the future the right to lead a peaceful life. Our country has opposed the Iraq-Iran war from the outset. Still now we consider that an end must be put to the war which brought a huge damage to the two neighbouring countries, and the differences be resolved by a peaceful means so that the legitimate rights of Iran and Iraq may be guaranteed. We consider that the two countries should contribute to pooling efforts in the struggle against the common enemy, imperialism and Zionism.

Dear Comrade Kim Il-song: We have long followed with keen interests the struggle of the Korean people for the building of socialism and for the independent and peaceful reunification of Korea under your wise leadership. We support all the constructive proposals put forward by you for guaranteeing the rights of the Korean people to reunify the country without imperialists' interference in the internal affairs of Korea.

It is a patent fact that the U.S. imperialists are resorting to all sorts of maneuvers to perpetuate the division of the Korean nation by aggravating tension on the Korean peninsula and oppose the socialist system of Democratic Korea. Reaffirming that our party and people are standing on the side of you in the just and legitimate struggle, we express our belief that the lawful cause of the Korean people will be crowned with victory.

No matter how formidable the U.S. imperialists may be, Korea will certainly be reunified as the breaking dawn cannot be barred. We are convinced that the entire Korean people will certainly overcome all the difficulties and trials laid on the road to the reunification and progress of the country by the U.S. imperialists and their reactionary stooges as they had checked and frustrated in the past period all sorts of aggressive plots of imperialists and reactionaries trying to infringe upon them.

We will as ever vigorously advance along the road of strengthening internationalist solidarity and militant unity between the liberation forces and progressive forces, socialist forces and peace forces in the world scale.

In conclusion, he proposed a toast to the health of the great leader Comrade Kim Il-song and to the health of the dear leader Comrade Kim Chong-il.

#### Chairman Visits Nampo

SK101036 Pyongyang KCNA in English 0853 GMT 10 Oct 84

[Text] Pyongyang October 10 (KCNA) -- The party and government delegation of the People's Democratic Republic of Yemen [PDRY] headed by 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the PDRY, visited the construction site of the Nampo lock gate and the Nampo glassware factory on October 9.

After the inspection of the construction site of the Nampo lock gate, 'Ali Nasir Muhammad said:

This is not merely a construction site but a place which proves the justness of a magnificent cause the Korean people are carrying out under the wise guidance of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. Such a wonderful work cannot be done without great men. Comrade Kim Il-song is not only the great leader of the Korean people but also the great leader of the world revolution.

Some members of the delegation visited Mangyongdae and went round Pyongyang metro on October 9.

The delegation was invited to see a song and dance performance at Pyongyang Grand Theatre given by artists in Pyongyang on the same day.

#### 9 Oct Talks

SK090903 Pyongyang KCNA in English 0815 GMT 9 Oct 84

[Text] Pyongyang October 9 (KCNA) -- Tete-a-tete talks were held on October 9 between Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, and Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council, and chairman of the Council of Ministers, of the People's Democratic Republic of Yemen [PDRY].

The talks proceeded in a sincere and friendly atmosphere.

#### Kim Receives Gift

SK101304 Pyongyang KCNA in English 1129 GMT 10 Oct 84

[Text] Pyongyang October 10 (KCNA) -- Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY], presented a basket of flowers to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, at the Kumsusan assembly hall on October 10 in celebration of the 39th anniversary of the founding of the WPK.

Present on the occasion were the members of the party and government delegation of the PDRY and others. Present there were Comrades Kang Song-san, Kim Hwan, An Sung-hak and Kong Chin-tae and Minister of External Economic Affairs Chong Song-nam, First Vice-Minister of Foreign Affairs Yi Chong-mok, Vice-Minister of Foreign Affairs Kim Yong-sop and DPRK Ambassador Extraordinary and Plenipotentiary to the PDRY Myong Chang-son.

Presenting the basket of flowers to President Kim Il-song, Chairman 'Ali Nasir Muhammad warmly congratulated the 39th anniversary of the founding of the WPK and wholeheartedly wished him good health and a long life.

Chairman 'Ali Nasir Muhammad also presented a congratulatory card to Presid Kim Il-song. President Kim Il-song expressed thanks for this.

## Kim Presents Gift

SK101300 Pyongyang KCNA in English 1133 GMT 10 Oct 84

[Text] Pyongyang October 10 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, on October 10 presented a gift to Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY]. Present on the occasion were Comrades Kang Song-san, Kim Hwan, An Sung-hak and Kong Chin-tae, First Vice-Minister of Foreign Affairs Yi Chong-mok and DPRK Ambassador Extraordinary and Plenipotentiary to the PDRY Myong Chang-son. Also on hand were the members of the party and government delegation of the PDRY and others. Chairman 'Ali Nasir Muhammad expressed deep thanks to President Kim Il-song for the gift.

## Further Talks

SK101252 Pyongyang KCNA in English 1136 GMT 10 Oct 84

[Text] Pyongyang October 10 (KCNA) -- Talks between Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, and Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY] were held in Pyongyang on October 10.

Present at the talks on our side were Comrades Kang Song-san, Kim Hwan, An Sung-hak and Kong Chin-tae, Minister of External Economic Affairs Chong Song-nam, First Vice-Minister of Foreign Affairs Yi Chong-mok, Vice-Minister of Foreign Affairs Kim Yong-sop and DPRK Ambassador Extraordinary and Plenipotentiary to the PDRY Myong Chang-son. Present on the opposite side were the members of the party and government delegation of the PDRY -- 'Ali 'Abd al-Razzak Badhib, member of the Political Bureau of the Central Committee of the party, vice-chairman of the Council of Ministers and chairman of the State Council for Information; Anis Hasan Yahya, member of the Political Bureau of the Central Committee of the party and secretary of the Central Committee of the party for economic affairs; 'Abd al-Aziz al-Dali, member of the Political Bureau of the Central Committee of the party and foreign minister; Haydar Abu Bakr al-'Attas, member of the Central Committee of the party and minister of construction; Muhammad Sa'id 'Abdullah, minister of housing; and Award 'Abdullah Mashbaha, charge d'affaires ad interim of the Embassy of the PDRY in Pyongyang, and others. The talks proceeded in a sincere and friendly atmosphere.

## Kim Attends Luncheon

SK102341 Pyongyang KCNA in English 2207 GMT 10 Oct 84

[Text] Pyongyang October 10 (KCNA) -- Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY], arranged [a] luncheon on October 10 in honour of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, on the occasion of the 39th anniversary of the founding of the Workers' Party of Korea.

Invited there were Comrades Kang Song-san, Kim Hwan, An Sung-hak and Kong Chin-tae, Minister of External Economic Affairs Chong Song-nam, First Vice-Minister of Foreign Affairs Yi Chong-mok and DPRK Ambassador Extraordinary and Plenipotentiary to the PDRY Myong Chang-son. Present there were the members of the party and government delegation of the PDRY and others.

The luncheon passed in a warm atmosphere.

#### Activities of Delegation

SK110440 Pyongyang KCNA in English 0430 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- The party and government delegation of the People's Democratic Republic of Yemen headed by 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party and chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the PDRY [People's Democratic Republic of Yemen], on a visit to our country inspected the Grand People's Study House and the Pyongyang Students and Children's Palace on the afternoon of October 10. The guests were accompanied by Comrade Kang Song-san, and others.

The delegation went first to the Grand People's Study House. The guests were deeply impressed by the fact that the Study House has been wonderfully built into a centre for the intellectualisation of the whole society under the scrupulous guidance and deep care of the great leader President Kim Il-song and the glorious party centre. On the balcony of the Study House the guests looked at the Tower of Chuche Idea erected high on the bank of the River Taedong and commanded a bird's eye view of the heart of Pyongyang. 'Ali Nasir Muhammad left a souvenir at the Grand People's Study House.

Then the delegation went to the Pyongyang Students and Children's Palace. The circle members presented a fancy work to 'Ali Nasir Muhammad in memory of the guests' visit to the palace.

Then the guests appreciated a music and dance performance given by Pyongyang school children's art circle members in the theatre of the palace. Meanwhile, some members of the delegation went round the Ihyon pumping station and the Oryu cooperative farm in Pyongyang.

#### Kim Arranges Luncheon

SK111143 Pyongyang KCNA in English 1031 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, arranged a luncheon today for Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY].

The members of the PDRY party and government delegation and the suite were invited there. Present there were Comrades Kang Song-san; Kim Hwan; An Sung-hak and Kong Chin-tae; and Chong Song-nam, minister of external affairs; Yi Chong-mok, first vice-minister of foreign affairs; Kim Yong-sop, vice-minister of foreign affairs; and Myong Chang-son, DPRK ambassador extraordinary and plenipotentiary to Democratic Yemen.

The luncheon took place in a cordial atmosphere.

## Kim Il-song Awarded

SK111139 Pyongyang KCNA in English 1034 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, was awarded "October 14" Order, the supreme order of the People's Democratic Republic of Yemen [PDRY].

At an awarding ceremony held today at the Kumsusan assembly hall President Kim Il-song was awarded "October 14" Order, the supreme order of the PDRY, by Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the PDRY.

## PDRY Chairman Receives Award

SK111130 Pyongyang KCNA in English 1038 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the PDRY [People's Democratic Republic of Yemen], was awarded an order of the Democratic People's Republic of Korea.

At the awarding ceremony held today at the Kumsusan assembly hall Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, conferred the Order of the National Flag First Class upon Chairman 'Ali Nasir Muhammad.

## Economic, Technical Agreement

SK111134 Pyongyang KCNA in English 1036 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- An agreement on economic and technical cooperation between the Governments of the Democratic People's Republic of Korea and the People's Democratic Republic of Yemen was signed today in Pyongyang.

The agreement was signed by Chong Song-nam, minister of External Economic Affairs, authorized by the DPRK Government, and Haydar Abu Bakr al-'Attas, member of the Central Committee of the Yemen Socialist Party and minister of construction, authorized by the PDRY Government.

## Friendship Treaty Signed

SK111111 Pyongyang KCNA in English 1040 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- A treaty of friendship and cooperation between the Democratic People's Republic of Korea and the People's Democratic Republic of Yemen was signed today in Pyongyang.

The treaty was signed by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, and Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party [YSP], chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen.

Present at the signing ceremony on our side were Comrades Kang Song-san, Kim Hwan, An Sung-hak and Kong Chin-tae and Minister of External Economic Affairs Chong Song-nam, First Vice-Minister of Foreign Affairs Yi Chong-mok, Vice-Minister of Foreign Affairs Kim Yong-sop and Korean Ambassador Extraordinary and Plenipotentiary to the PDRY Myong Chang-son.

Present on the opposite side were 'Ali 'Abd al-Razzak Badhib, member of the political bureau of the YSP Central Committee, vice-chairman of the Council of Ministers and chairman of the State Council for Information; Anis Hasan Yahya, member of the Political Bureau of the YSP Central Committee and secretary of the party Central Committee for Economic Affairs; 'Abd al 'Aziz al-Dali, member of the Political Bureau of the YSP Central Committee and foreign minister; Haydar Abu Bakr al-'Attas, member of the YSP Central Committee and minister of construction; Muhammad Sa'id 'Abdallah, minister of housing; Awad 'Abdallah Mashbaha, charge d'affaires ad interim of the Embassy of the PDRY in Pyongyang, and others.

#### Text of Treaty

SK111520 Pyongyang KCNA in English 1500 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- Follows the full text of the treaty of friendship and cooperation between the Democratic People's Republic of Korea and the People's Democratic Republic of Yemen signed in Pyongyang on October 11:

#### Treaty of Friendship and Cooperation Between the Democratic People's Republic of Korea and the People's Democratic Republic of Yemen

Responding to the desire to expand and develop the friendly and cooperative relations between the two countries, oppose imperialism, colonialism and Zionism, strengthen unity and cooperation with all peaceloving countries of the world, particularly the socialist countries and the non-aligned countries, and actively contribute to the common struggle of mankind for building a prosperous new world free from exploitation and oppression, the Democratic People's Republic of Korea and the People's Democratic Republic of Yemen have decided to sign a treaty of friendship and cooperation and reached the following agreement:

#### Article 1

The high-level contracting parties shall make all efforts to develop the friendly relations between the two countries on the principles of sovereignty, independence, territorial integrity, reciprocity, and non-interference in each other's internal affairs.

#### Article 2

The high-level contracting parties shall make efforts to continue to develop cooperation and exchange experiences between the two countries in many fields such as science, culture, education, public health, television, radio, press, movie, tourism and sports.

#### Article 3

The high-level contracting parties shall make efforts to strengthen and develop economic and scientific-technological cooperation. To this end, the two sides shall develop cooperation in depth in all fields of the national economy and expand cooperation in trade and navigation on the principle of equality and reciprocity.

## Article 4

The People's Democratic Republic of Yemen shall respect the efforts of the Democratic People's Republic of Korea for the independent and peaceful reunification of the country. The Democratic People's Republic of Korea shall respect the peaceful and constructive foreign policy of the People's Democratic Republic of Yemen for achieving peaceful co-existence among nations of differing social systems, which is an important factor of the development of regional and international cooperation.

## Article 5

The high-level contracting parties shall continue to make all efforts to consolidate world peace and security, ease international tensions, maintain the principle of non-use of strength in the international relations, settle the international disputes by peaceful means, terminate all forms of aggression and interference, establish nuclear-free, peace zones everywhere in the world, put an end to arms race and realise universal and complete disarmament involving nuclear weapons.

## Article 6

The high-level contracting parties shall see to it that the two countries, both members of the Non-aligned Movement, tightly adhere to the principle and idea of this movement and actively strive for its strengthening and development.

## Article 7

The high-level contracting parties shall cooperate with each other in foreign policies are exchange materials and consult each other on international problems of common concern.

## Article 8

The high-level contracting parties shall actively strive to establish a new fair international economic order and strengthen South-South cooperation among the developing countries.

## Article 9

The high-level contracting parties shall support the just cause of all peoples of the world for liberation, consolidation of national independence, the independent development of the countries and social progress.

They shall continue their support for a comprehensive and fair solution of the Middle East problem and realization of a fair and durable peace in this region, with the Palestinian people guaranteed the right to return to their homeland and the right to self-determination and the right to build an independent state.

## Article 10

The high-level contracting parties officially declare that they would not take part in any military alliance or in any step or action against the other contracting party.

## Article 11

The high-level contracting parties declare that the articles of this treaty are not contradictory to the present international accords and are not directed against a third party.

## Article 12

The high-level contracting parties shall settle by means of negotiations whatever differences in the interpretation of any article of this treaty and in the course of its execution in the spirit of friendship, mutual understanding and mutual respect.

## Article 13

This treaty shall come into force from the day it has undergone the necessary legal procedures and shall remain in force for 20 years. The term of validity of this treaty shall automatically be extended by 5 years each time unless one of the contracting parties declares its intention to repeal it one year before the expiration of its term.

Done in duplicate in Pyongyang on the 11th day of October, 1984, in Korean and Arabic, both texts being equally authentic.

Kim Il-song  
General secretary, Central Committee  
of the Workers' Party of Korea; president,  
Democratic People's Republic of Korea

'Ali Nasir Muhammad  
Secretary general, Central Committee of  
the Yemen Socialist Party; chairman,  
Presidium of the Supreme People's Council;  
chairman, Council of Ministers of the  
People's Democratic Republic of Yemen

## Kim Sees Off PDRY Chairman

SK111536 Pyongyang KCNA in English 1528 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, cordially saw off today Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen [PDRY], leaving here after the successful conclusion of Korean visit at the head of the party and government delegation of the PDRY.

The national flags of our country and the PDRY were seen flying on flag poles.

Present on the occasion were the members of the PDRY party and government delegation and others. Comrades Kang Song-san, Kim Hwan, An Sung-hak and Kong Chin-tae and Minister of External Economic Affairs Chong Song-nam, First Vice-Minister of Foreign Affairs Yi Chong-mok, Vice-Minister of Foreign Affairs Kim Yong-sop and Korean Ambassador Extraordinary and Plenipotentiary to the PDRY Myong Chang-son were on hand.

A farewell function for the delegation took place. The national anthems of our country and the PDRY were played.

Chairman 'Ali Nasir Muhammad, in company with President Kim Il-song, reviewed a guard of honor of the three services of the Korean People's Army. President Kim Il-song shook hands with Chairman 'Ali Nasir Muhammad and hugged him. Chairman 'Ali Nasir Muhammad expressed deep thanks to President Kim Il-song for the hospitality accorded him during his stay in Korea.

## PDPY Head Receives Flowers

SK1111533 Pyongyang KCNA in English 1524 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, presented a basket of flowers to Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the People's Democratic Republic of Yemen, in congratulation of the 6th anniversary of the founding of the Yemen Socialist Party.

The basket of flowers sent by President Kim Il-song was conveyed today to Chairman 'Ali Nasir Muhammad by Comrade Kang Song-san upon authorisation. Handing over the basket of flowers Comrade Kang Song-san conveyed cordial regards and a congratulatory card of President Kim Il-song to Chairman 'Ali Nasir Muhammad and warmly congratulated him on the 6th anniversary of the founding of the Yemen Socialist Party. Expressing deep thanks for this, Chairman 'Ali Nasir Muhammad asked Comrade Kang Song-san to convey his thanks and best wishes to respected Comrade President Kim Il-song.

## Delegation Departs

SK110834 Pyongyang KCNA in English 0800 GMT 11 Oct 84

[Text] Pyongyang October 11 (KCNA) -- The party and government delegation of the People's Democratic Republic of Yemen (PDRY) headed by Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party, chairman of the Presidium of the People's Supreme Council and chairman of the Council of Ministers of the PDRY, left Pyongyang on October 11 by special plane after concluding its visit to our country at the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea. Premier Kang Song-san, Vice-Premier Kim Hwan, Vice-Premier Kong Chin-tae and other cadres and many working people in the city saw off the friendship envoy of the Democratic Yemeni people at the airport.

## Kim Sends Message

SK120411 Pyongyang KCNA in English 0356 GMT 12 Oct 84

[Text] Pyongyang October 12 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, sent a message of greetings on October 11 to Comrade 'Ali Nasir Muhammad, secretary general of the Central Committee of the Yemen Socialist Party. The message reads:

On the occasion of the 6th anniversary of the founding of the Yemen Socialist Party, I extend warm congratulations to you and the Central Committee of your party on behalf of the Central Committee of the Workers' Party of Korea and on my own behalf. The funding of the YSP was a great event in the struggle of your people against imperialism and colonialism and for defending national independence and building a new life. Guided by the Yemen Socialist Party headed by you, the fraternal people of Democratic Yemen have today vigorously advanced along the road of socialist development under the uplifted banner of the revolution. Believing that the friendly and cooperative relations forged between our two parties and two peoples in the struggle to build a new, independent life will grow stronger and develop in the future. I take this opportunity of sincerely wishing you greater success in your responsible work.

PARTY'S REVOLUTIONARY IDEOLOGY, THEORY HAILED

SK120121 Pyongyang Domestic Service in Korean 2128 GMT 7 Oct 84

[NODONG SINMUN 8 October Special Article: "Firm Guideline Which Leads Socialist and Communist Cause of Our People to Victory"]

[Text] Nearly 39 years have passed since our party was founded. In the course of its protracted and arduous struggle to lead the revolution and construction, the WPK has realized immortal achievements before the revolutionary cause of the working class. Of these achievements, what occupies a brilliant place is the fact that precious ideological and theoretical assets for the victorious advance and completion of the revolution have been provided.

Today, our people are waging a struggle to extensively embody the ideology and theory of the party, infinitely treasuring all ideological and theoretical assets attained by our party. Our people's dignity and honor of embodying the communist cause under the leadership of the party, grasping the great ideology and theory, are infinite.

1. The recent historic ninth plenary meeting of the sixth party Central Committee proudly indicated that our party's revolutionary line is a correct one, guaranteeing the victory of socialist and communist construction. This provides firm proof of the great and epochal role of the party's ideology and theory in the revolution and construction.

Comrade Kim Chong-il, member of the Presidium of the party Central Committee Political Bureau and secretary of the party Central Committee, has indicated: By correctly solving the theoretical and practical problems arising in communist construction on the basis of Marxism-Leninism and the chuche idea, our party has vigorously accelerated the revolution and construction in accordance with a scientific strategy and struggle policy.

Socialist and communist construction is a highly organized struggle which always keeps the goals of construction in mind. For the party of the working class to have scientific ideology and theory in carrying out this historic cause is a preferential requirement. The greatness and wisdom of the party are emphatically related to grasping correct ideology and theory.

The party with correct ideology and theory reflecting the inevitability of the development of the society and history by no means makes twists and turns or deviations in the revolution and construction. The ideological and theoretical problems of the party are to be more emphatically presented in the historic period when the revolution has advanced far.

As the revolutionary cause is deepened and developed, the problem of inheriting and completing it inevitably comes to the fore. What is important in solving this task is the problem of inheriting and developing the party ideology. In this historic period, the party of the working class should present correct ideology and theory and brilliantly embody them because otherwise it cannot perform its lofty duty as the guiding force in communist construction.

Today, our revolution has entered a new high stage. We are now vigorously accelerating the great advance of pioneering the future of communism under the slogan of imbuing the whole society with the chuche idea. This shows that our revolutionary cause, which was pioneered under the banner of the revolutionary ideology of the great leader Comrade Kim Il-song, is being inherited brilliantly.

Our revolution enjoying such a promising prospect cannot be contemplated apart from our party's ideology and theory elucidating the clear course of our revolution.

In the 1970's and 1980's, when our revolution faced a great turning point, our people were faced with the heavy task of firmly deepening the socialist system on the basis of the victory in socialist industrialization and of expediting the complete victory of socialism and the cause of national reunification. The course of this struggle was by no means smooth. We had to defend the revolutionary cause and perform new duties, while smashing the vicious maneuvers of imperialists and all enemies at every phase. Such historic circumstances demanded that we effect a basic change in all fields of socialist construction.

By advancing, firmly grasping the party's ideological and theoretical policies, including the slogan of imbuing society with the chuche idea, our party has been able to firmly consolidate the ranks of the party and the revolution, and win great victory in carrying out the three revolutions -- ideological, technological and cultural. As a result of this, the grand program of socialist construction for the 1980's set forth at the sixth party congress is now being successfully carried out.

Reality fully demonstrates the correctness and vitality of our party's ideology and theory. The boundless might of our party's ideology and theory finds expression in extensively embodying the demands of the new high stage of the development of the revolution and the aspiration of the era.

Great ideology and theory are to emerge, reflecting the matured demands of the development of history and the revolution. In the period of change in which the revolutionary cause is being completed, the ideology and theory which have reflected such historic circumstances play a great role in the revolutionary and construction.

Today's historic period is a period in which the revolutionary ideology of the great leader Comrade Kim Il-song not only has been extensively embodied but has been turned into an undeniable historic reality and into a powerful material strength. This period is also one in which all political, ideological, and material foundations for the final victory of the revolutionary ideology are firmly deepened.

Our party has waged unique and energetic ideological and theoretical activities in this glorious period of our revolution. Our party not only has persistently developed ideology and theory in accordance with the demands of the new revolutionary practice in our revolution, but has also attained rich ideological and theoretical assets in the course of solving the problems that have arisen in the practice of the revolution.

Numerous documents presented by the dear Comrade Kim Chong-il, including his documents "On the Chuche Idea," "Let us Advance, Holding Aloft the Banner of Marxism-Leninism and the Chuche Idea," and "The WPK is the Chuche-Type Revolutionary Party Which Has Inherited the Glorious Tradition of the 'Down-With-Imperialism Union,'" comprehensively involve the outstanding ideologies and theories reflecting the demands of the historic turning point of our revolution.

The demands of the times for thoroughly safeguarding and defending the essence and purity of the revolutionary ideology of the great leader Comrade Kim Il-song, the chuche idea, have been reflected in the ideology and theory of our party. The struggle to embody the revolutionary ideology created by the leader involves new content as the revolution is deepened and developed. For the leader's ideology to emerge at the forefront as the only revolutionary guiding ideology in the historic circumstances under which it has firmly dominated the whole society is to guarantee the purity of this ideology generation after generation.

The ideology and theory of the party carrying out the revolutionary cause should become the ideology and theory that can realize such a historic task. This is a most principled problem which determines the ideological and theoretical characteristics and might of the party of the working class.

Today, the great Comrade Kim Il-song's revolutionary ideology has become the firm faith of our people and is demonstrating great strength as the genuine guiding ideology of the revolution.

Only by resolutely safeguarding and defending the banner of this revolutionary ideology can the final completion of our revolutionary cause be achieved and the prosperity of the era of independence be attained. This has become an immutable truth.

Proceeding from the demands of the times and the aspirations of the people, our party has engaged in ideological and theoretical activities on the basis of guaranteeing the purity of the leader's revolutionary ideology.

A prior question in safeguarding and adhering to the leader's ideas is to prove their greatness and vitality in depth, scientifically and theoretically. Our party's ideas and theories are aimed at demonstrating the fact that the ideas, theories, and methods of the respected leader are not only great revolutionary ideas for the present time of socialist construction, but also immortal even in the future communist society. Thus, the respected leader Comrade Kim Il-song's revolutionary ideas were formalized and their historic position was elucidated.

Our party, in particular, directed great attention to delineating the principle of the chuche idea which forms the essence of Comrade Kim Il-song's revolutionary ideas and to proving their justness. Our party elucidated the philosophical principle of the chuche idea, which gives first consideration to the human being, and extensively systematized all the contents of the chuche idea on the basis of the people's independence, creativeness, and consciousness. This is a great contribution to defending and protecting the chuche idea.

The work to defend and protect the revolutionary idea of the working class is concomitant with the struggle against the influence of bourgeoisie ideas. This struggle should continue until the revolutionary cause is accomplished. This is a lesson proven by the long history of the revolutionary struggle of the working class.

The chuche idea -- the great Comrade Kim Il-song's revolutionary idea -- is a thoroughly working class-type idea which basically runs counter to various bourgeoisie and reactionary trends. Thanks to our party's ideas and theories, the fact that this revolutionary idea is opposed to bourgeoisie philosophy was proven and the creative nature and (?linkage) of the chuche idea with excellent progressive ideas were correctly elucidated. Thus, the universality and truth of the chuche idea were fully demonstrated.

Our party's ideas and theories reflected the historic demand for deepening and developing Comrade Kim Il-song's revolutionary ideas in accordance with the new circumstances in the development of the revolution. The revolutionary idea of the working class is being constantly developed and deepened along with the advance of history. This is a legitimate phenomenon based on the objective demands resulting from the creative nature of this idea and in the implementation of the revolution.

The people's revolutionary movement for communism has advanced far. Today, it is known that communism is not an aspiration for the distant future but is being marked in history as a practical subject. Such a historic reality demands the solution of various theoretical and practical problems raised in the course of accomplishing the communist cause.

In the course of the many steps in the revolution and of researching the works in various domains, including the political, economic, and cultural fields, the great leader Comrade Kim Il-song provided ideological and theoretical guidelines leading the communist cause of our era. All the questions arising in the course of accimplishinf the communist cause generation after generation can be brilliantly solved only in the course of deepening this ideological and theoretical asset, firmly depending on it.

Our party's ideas and theories are firmly based on such a historical mission. On the basis of the great leader Comrade Kim Il-song's ideas, thesis, and method of development of theory, our party elucidated the urgent questions arising in carrying out the revolution today, such as the picture of the future communist society and the course of construction of this society, the characteristics and legitimacy of the development of socialist society, and the type of struggle in socialist society.

Thus, the treasury house of Comrade Kim Il-song's revolutionary ideas was constantly enriched with new, unique theses and theories. Our party's ideas and theories have been advanced in the course of defending, protecting, and deepening the leader's ideas. Thus, the party's ideas and theories are in perfect harmony with Comrade Kim Il-song's revolutionary ideas and are called Comrade Kim Il-song's revolutionary ideas of the new higher stage of our revolution.

The party's ideas and theories, which reflect the matured demand of our era, are vigorously leading the struggle for socialism and communism. No force can block the magnificent march of our people advancing to the bright future under the banner of the great idea and theory.

2. Our party's ideas and theories are a great banner which firmly ensures the accomplishment of the socialist and communist cause. Today, our people are accelerating socialist construction by assuming the party's ideas and theories as weapons for their struggle and as guidelines for all their work. All the party and the people, rising as one, are energetically struggling to accomplish our party's unique lines and policy for socialist construction including the recent economic construction policy.

Our people's advance to glorify the 1980's is consistent with the struggle to embody the party's ideas and theories. Reality shows that the party's and theories had taken deep root among the people and are playing a great, innovative role in accelerating socialist and communist construction. This is based on the perfectness, richness, truth, justness of these ideas and theories.

Our party's ideas and theories have become the banner of socialist and communist construction because they were, above all, extensively developed and perfected, assuming the program for the chuche-orientation of the entire society and the method of implementing this program as the first consideration. It is important for the party of working class, in carrying out the socialist and communist cause, to correctly carry out its programs for struggle and to solve all ideas and theories on the basis of this program. Socialist and communist construction is an unexplored work advancing the future of mankind.

In our country today, this cause is being victoriously advanced because the program and aim for struggle are clear. The program for the chuche-orientation of the entire society put forth by our party is a great program for communist construction. The future communist society is the society in which the working class will completely realize its independence, freeing itself from the constraint of outdated ideas and nature. In order to build this society, we should occupy the ideological and material strongholds of communism without fail.

The chuche-orientation of the entire society enables us to occupy successfully the two strongholds of communism by thoroughly reforming men, society, and nature in accordance with the demand of the chuche idea. By advancing the program of the chuche-orientation of the entire society, questions regarding the program for struggle by the party of working class at the time of accomplishing the revolutionary cause have been brilliantly solved. All systems and contents of our party's ideas and theories are consistent with the work to carry out this program.

The great program for communist struggle, which is the first in the revolutionary movement of the working class, and all theories for implementation of this program have been compiled into one book. Herein lies the basic source of the important characteristics and might of the party's ideas and theories. Our party's ideas and theories for the chuche-orientation of the entire society are an encyclopedic theory covering all steps and all domains in accomplishing the communist cause. Today, the people's struggle to build socialism and communism is being advanced in depth and in breadth.

In the past our party waged many-sided ideological and theoretical activities in the fields of philosophy and communist revolutionary theory, without limiting itself to a specific theory. As a result, ideologies and theories enriching the chuche-oriented ideology, theory, and method have been provided and it has been possible to solve all theoretical and practical problems arising in imbuing the whole society with the chuche idea.

Our party's ideology and theory not only elucidate the world outlook that the people should possess in the stage of realizing the socialist and communist cause and the guiding principle that the people should adhere to in the revolution and construction, but also comprehensively involve the policy to indoctrinate all members of the society to become chuche-type revolutionaries as well as the theories and policies regarding the three revolutions -- ideological, technological, and cultural. Along with this, our party's ideology and theory also propound the theory and policy of completing the cause of building a chuche-type party and the theories to strengthen overall proletarian dictatorship, including the work of organs of power and working people's organizations.

Because of this great ideology and theory, our people have been able to advance toward the communist cause with certainty under any circumstances, without experiencing deviations or twists and turns.

Our party's ideology and theory are also the ideology and theory which have analyzed and developed all problems arising in completing the communist cause on the basis of the principle of the leader's decisive role. Precisely herein lies the important basis in the party's ideology and theory becoming the great revolutionary banner of socialist and communist construction.

Comrade Kim Chong-il, member of the Presidium of the party Central Committee Political Bureau and secretary of the party Central Committee, has indicated: In the future of the communist movement, too, as in the past and at present, the revolutionary cause of the working class will continue to advance under the leadership of the leader.

The type of principles that constitute a nucleus in developing ideology and theory constitute a basic problem determining the correctness and might of the ideology and theory.

As indicated by the dear Comrade Kim Chong-il, the leader of the working class is the supreme leader of the revolution. Without the leadership of the leader, the masses of people cannot take the position of masters nor can they play the role of masters in the social and historic movement -- the revolutionary movement. Therefore, all revolutionary theories of the working class should be developed on the basis of the problem of the position and role of the leader.

Such an ideological and theoretical task cannot be realized in all periods. It can be realized only in the period when the leader's cause has been deepened and developed to a high stage by the revolutionary party which is infinitely loyal to this cause.

Our revolution has traversed the single road of victory since it was pioneered under the wise leadership of the great leader Comrade Kim Il-song. Thanks to the leadership of the respected and beloved leader Comrade Kim Il-song, our people were able to be ever-victorious in the course of the most fierce revolution for national liberation, the two complicated social revolutions, and the period of great socialist construction.

The correctness of the principle of the decisive role of the leader in the revolutionary struggle has been clearly proven in practice in our revolution.

On the basis of its analysis of the communist movement of our country and the historic struggle of the international working class, our party has elucidated the fact that the revolutionary cause of the working class is precisely the leader's cause, and that it can be developed, advanced, and completed only by the leader. Our party has thereby been able to deepen and develop the ideology and theory developed using the working people as a nucleus into the ideology and theory developed using the leader's role as nucleus. This is the pioneering of a new sphere in the development of the ideology and theory of the working class.

Based on the unique explanation of the inevitability of the development of the leader's revolutionary cause, our party has newly developed the ideology and theory regarding the revolution and construction. Our party has thereby propounded not only the theory on establishing the party's unitary ideological system in the entire party and society, but also the policies and methods of and for developing the ideological remolding work on the basis of loyalty to the leader and of carrying out economic and cultural construction under the leadership of the leader.

Our party's ideology and theory have solved questions concerning leadership systems and methods from the viewpoint of the leader's position and role. This ideology and theory have become the ideological and theoretical weapons in protecting the chuche traits of our party and the revolution forever, and advancing the revolutionary cause solely along the single road pioneered by the respected and beloved leader.

What is particularly important in the party's ideology and theory of the leader's role and the superiority of this role is the policy and theory of the inheritance of the revolutionary cause. Just as the parties of fraternal countries and revolutionary peoples have unanimously pointed out, the question of correctly inheriting the revolutionary cause has been solved brilliantly in our country today. In order to perform this important task, our party has set forth noble ideas and theories, such as the revolutionary idea and tradition developed by the leader and a policy for inheriting and developing unity around the leader.

In particular, our party has delineated anew a theory on the question of strengthening the party organizationally and ideologically in the stage of completing the revolutionary cause. This is one of the important ideological and theoretical achievements of our party in achieving the final victory of the revolution and in protecting the future destiny of the people. The justness and vitality of our party's ideology and theory have been proved in the practical struggle to build socialism and communism.

A great ideology and theory create a brilliant reality. Only an ideology which has assumed an innovative role in the practical struggle of the working class and proved its truth can shed rays as a leading guideline for the revolution and construction.

The ideology and theory of our party is not a theory for the sake of theory, but a weapon for substantially accelerating the revolution and construction. The might of our party's ideology and theory comes from helping realize decisive advance in achieving the chuche cause by thoroughly implementing all theories and policies historically set forth by the great leader Comrade Kim Il-song amid today's reality of completing the construction of communism.

The ideology and theory of the party have ushered in the heyday of national prosperity -- the new period of making our revolution blossom. Thanks to the party's ideology and theory, socialist construction was forged ahead vigorously in the 1970's and the 1980's with the spirit of adding the speed battle to Chollima without the slightest stagnation or stalemate, and the country's political, economic, and military might strengthened in various ways.

The most difficult and complicated historic question in socialist construction has been solved smoothly in our country. Great successes have been attained in the work of remodeling men -- the work of overcoming the timeworn ideologies which have dampened people's spirit of independence for thousands of years -- in the magnificent work of economic construction to lay the material and technical foundation of communism, in the work of remodeling nature, in the work training revolutionary figures, and in the struggle to improve the people's standard of living.

Our country's demonstration of honor and dignity as a chuche socialist fatherland which enjoys firm political sovereignty, a powerful, self-reliant national economy, and brilliant national culture is the brilliant fruition of our party's ideology and theory.

The period during which our people have struggled to materialize the party's ideology and theory under the slogan of imbuing society with the chuche idea has not been long. However, a matchlessly great revolutionary change has taken place in reality. There has not been such an ideology and theory as our party's ideology and theory which have basically changed everything in a short time, including men's ideological and spiritual traits and the appearance of cities and rural areas, and which has brought about a great leap in the revolution and construction. Because of this, the party's ideology and theory have grasped the hearts of the people in a short time, and shone as the revolutionary banner of the present era.

Our party's idea and theory which has illuminated the bright future of the revolution and whose justness has been proven through practical revolutionary activities will demonstrate immeasurable might and vitality. Accordingly, the contemporary era and the future of communism will be a worthwhile period during which our party's idea and theory will be victorious. During this period, all the long-cherished and historic desire of our people will be fulfilled brilliantly.

It is the great happiness and pride of our people to live in the glorious period which is called in the name of our party and to carry out the revolution under the banner of the party's idea and theory. It is the noble duty of our party members and workers to thoroughly materialize the party's idea and theory. Today, we are in the important period of decisively strengthening the struggle to safeguard and implement the party's idea and theory. Through the struggle of the seventies and through the march of the eighties, we have consolidated the foundation of strengthening our party into a chuche-type revolutionary party.

Based on this foundation, our party has developed its leadership of socialist construction as a whole. This historic circumstance calls for regarding the materialization of the party's idea and theory as the most urgent question in developing the revolution and for developing this task to a new, higher stage. The work of implementing the magnificent program for socialist construction in the eighties and the historic cause of the fatherland's reunification depend on how successfully we wage this struggle.

All the party members and workers should deeply bear in mind the requirements of the development of the contemporary era and the resolution should firmly arm themselves with the party's idea, theory, and policy, and should materialize them comprehensively. Only by thoroughly safeguarding and implementing the party's idea and theory with such an attitude and position as that assumed by young communists to struggle to safeguard the great general's idea and line during the period of pioneering our revolution can they become the true revolutionaries of the eighties who are endlessly faithful to the chuche revolutionary cause.

There is no more important and responsible task than thoroughly materializing the party's idea and theory, especially the policy for socialist construction recently set forth by the party, for our party organizations, functionaries, party members and workers.

Today, the revolutionary struggle of our people has become more worthwhile, and the future of our revolution is endlessly bright. As long as the respected and beloved leader Comrade Kim Il-song's great revolutionary idea illuminates our future path and as long as there is the party's idea, the victory of our revolution is certain. Our people will brilliantly complete the cause of imbuing society with the chuche idea by confidently advancing along the road indicated by the party's idea and theory.

#### KIM IL-SONG INSPECTS MANSUDEA ASSEMBLY HALL

SK121100 Pyongyang KCNA in English 1034 GMT 12 Oct 84

[Text] Pyongyang October 12 (KCNA) -- The great leader President Kim Il-song went round the newly-build Mansudae assembly hall on October 11.

He was accompanied by comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea; Comrade O Chin-u, member of the Presidium of the Political Bureau of the WPK Central Committee and minister of People's Armed Forces; Comrades Pak Sung-chol and Yim Chun-chu, members of the Political Bureau of the WPK Central Committee and vice-presidents of the DPRK; Comrade Pak Yong-sok, member and director of a department of the WPK Central Committee; and officials concerned.

The Mansudae assembly hall magnificently built in a unique architectural style on Mansudae hill is one more grand monumental structure in the Workers' Party age.

The Mansudae assembly hall which has been built in a dignified way as the state national assembly hall has a big assembly room, small conference room and rooms for talks and signing ceremony, rest rooms and parlors. It is well furnished with all facilities for large-scale international meeting.

Brilliantly embodying the chuche-oriented architectural and aesthetic idea of the party, constructors built with credit the edifice of eternal value perfect in everything from designing and building to the inner facilities and suited to the aesthetic tastes of the era in the heart of the capital.

While going round the inside and outside of the newly-built Mansudae assembly hall, President Kim Il-song acquainted himself with the process of the building and expressed deep satisfaction with the successful construction of a large-scale modern assembly hall in a matter of one year and a half or so and highly appraised the feats of the builders in the project.

FURTHER ON PROPOSAL FOR ECONOMIC EXCHANGES

## Text of Letter

SK120333 Seoul YONHAP in English 0315 GMT 12 Oct 84

[Text] Seoul, Oct. 12 (OANA-YONHAP) -- The following is the full text of the message South Korean Deputy Prime Minister and Economic Planning Minister Sin Pyong-hyon sent to his North Korean counterpart, Choe Yong-nim, Friday proposing inter-Korean economic talks:

"Recently our government proposed to your side the early implementation of inter-Korean trade and economic cooperation, stressing that South and North Korea should thereby improve relations and pursue common prosperity. Our proposal is intended to pave the way to mutual economic assistance between the brethren of South and North Korea who have been dissociated from each other for nearly 40 years, and to use this development to advance at least a little bit the unification of the homeland which all our people crave.

"We are positive that if only inter-Korean trade in commodities and economic cooperation can be realized, it will immediately and directly help improve the lives of our South and North Korean brethren, and further contribute to the realization of balanced development, common prosperity and national reconciliation in all areas in the future.

"In particular, we believe that in order to safeguard the national survival and interests at this time of ever-fiercer international economic competition, South and North Korea should transcend ideologies and systems and join forces instead of continuing to waste national capabilities in antagonism and confrontation.

"It is from this standpoint that we hope trade in commodities and economic cooperation between South and North Korea will be realized as soon as possible as our government recently proposed.

"Regarding your side's pursuit of a new systematic measure to promote economic cooperation with the outside, we expect that such a step could be conducive to exploring inter-Korean economic exchanges and cooperation in the future. Our government will positively support the participation by our businessmen and industries in inter-Korean trade and economic cooperation.

"We believe that to this end, it will be necessary for economic authorities of the South and North Korean Governments and representatives of private economic organizations to have an open-hearted dialogue. If it is determined to be necessary, it would also be good to establish an organization for inter-Korean economic cooperation composed of government authorities of both sides and representatives of economic circles to serve a permanent body to promote trade and economic cooperation between South and North Korea.

"We propose that an inter-Korean economic meeting be held to discuss these questions, attended by delegates representing the authorities of the government and private economic organizations of South and North Korea with vice minister-level government officials as chief delegates.

"We hope that such an inter-Korean meeting will be realized soon. We leave it to your side to determine the time and venue of the proposed meeting.

"We look forward to an affirmative response."

## Businessmen Respond to Letter

SK130450 Seoul YONHAP in English 0350 GMT 13 Oct 84

[Excerpt] Seoul, Oct. 13 (OANA-YONHAP) -- Heads of South Korea's four major private economic organizations called for the promotion of "brisk" trade between South and North Korea on a "reciprocal basis" at first, followed by joint-venture investments "in various sectors."

In quick response to Deputy Prime Minister Sin Pyong-hyon's proposal to North Korea Friday to hold inter-Korean economic talks, which "positively" supported the participation by businessmen and industries, the four top South Korea business leaders welcomed Sin's proposal by disclosing their "willingness to take active part in inter-Korean trade and economic cooperation."

In a joint statement, the four said: "The time has come for South and North Korean businessmen to join forces and take the lead in putting an end to such abnormal relations and to promote national economic development in the interests of mutual prosperity and reconciliation."

The group comprised Chong Chu-yong, president of the Federation of Korean industries; Nam Tok-wu, president of the Korea Trader's Association; Chung Su-chang, president of the Korea Chamber of Commerce and Industry, and Yu Ki-chung, president of the Korea Federation of Small Business.

## Businessmen's Statement

SK130535 Seoul YONHAP in English 0519 GMT 13 Oct 84

[Text] Seoul, Oct 13 (OANA-YONHAP) -- The following is the full text of a joint statement issued by the heads of South Korea's four major economic organizations:

"Deputy Prime Minister Sin Pyong-hyon, stressing the need for inter-Korean economic exchanges and cooperation, proposed in a message to North Korea on October 12 that an inter-Korean meeting be held to discuss the question. He also pronounced that the government will positively support the participation by businessmen and industries in trade and other economic activities with North Korea.

"We welcome the proposal since it is a manifestation of a practical resolve to explore the road to peaceful unification by promoting mutual prosperity and the improvement of inter-Korean relations through economic cooperation between South and North Korea. We hereby disclose our willingness to take active part in inter-Korean trade and economic cooperation.

"Being one people, we are deeply distressed that South and North Korea alone are wasting their abilities in unending antagonism and confrontation at this time when many countries are expanding economic cooperation in spite of differences in ideologies and systems. Before division, South and North Korea were a single economic unit and complemented each other in terms of resources.

"If South and North Korea open their doors to each other and actively promote economic cooperation, it will serve the interests of both sides, providing an epochal turning point in the improvement of inter-Korean relations. We are heartbroken at reality. Though they are brethren, the South and North have failed to make any contact or to cooperate with each otherdespite the fact that they both engage in trade and economic cooperation with foreign countries. We believe, however, that the time has come for South and North Korean businessmen to join forces and take the lead in putting an end to such abnormal relations and to promote national economic development in the interests of mutual prosperity and reconciliation.

"We hope that first trade will be briskly carried out between South and North Korea on a reciprocal basis, and then that joint-venture investments will be promoted in various sectors.

"In trade we believe we could purchase from North Korea such mineral goods as anthracite coal, iron ore, magnesia and lead ingots, and some farm and fishery products like cod roe and natural aromatic materials. We would willingly provide at any time those items which North Korea wishes to buy.

"We also believe that once a brisk trade has started, joint-venture investments could be made in the exploration of coal and ores, in the production of electric home appliances, farm chemicals and medicine, and in the creation and operation of shipping and tourist firms.

"We hope that the government-proposed inter-Korean economic meeting will be realized as soon as possible to discuss the means to implement such inter-Korean trade and joint-venture investments, and we look forward to a positive response from North Korea.

#### Meet With Reporters

SK140220 Seoul THE KOREA HERALD in English 14 Oct 84 p 3

[Text] The heads of the nation's four economic organizations held a question-answer session with reporters shortly after issuing a joint statement.

Following are excerpts:

Question: What motivated the four economic forums to make a detailed proposal for inter-Korean economic exchange?

Answer: Now is the time to pool the wisdom from all walks of life for national reconciliation of the entire Korean people.

As businessmen, we will spare no efforts to shape the economic exchange between South and North Korea, which we think will eventually serve the common prosperity of all Koreans.

Q: What are the root causes behind the four economic forums' strong support for the government's proposal for South-North economic exchange?

A: Though there exists a government-to-government agreement on mutual economic exchange, actual trading and dealings should be conducted through individual enterprises. That is why we will positively take the lead in starting inter-Korean trade.

Q: What do you think is the major reason why North Korea recently enacted a joint venture law?

A: First, North Korea is now in an economic crunch. To break through, Pyongyang needs capital and technology from the outside. However, major Western countries including France, West Germany and Japan, have refused Pyongyang's offers of joint ventures.

Second, mainland China's recent open door economic policy seems to have had significant influence on North Korea.

Q: If the inter-Korean economic exchange is realized, what are the most promising items?

A: Mutually complementary items will likely be traded first. Though the details should be discussed at a meeting, we can buy North Korea's coal, magnesite, iron ore, and sell ships, autos, medical supplies, and other daily necessities.

Q: How will South-North Korea settle their trade if Seoul's proposal is realized?

A: Both sides should solve the problem. One option is that trade can be made on a barter system. Another is that each party can liquidate the contacts through a bank in third country designated by both sides.

Q: What industrial sectors could you recommend to be involved if the joint venture is put into shape between South and North Korea?

A: In consideration of the many aspects, such areas as coal and other mineral resources development, electronics production, textile and medical supplies are promising. Also possible is a joint venture scheme in the establishment of marine companies and tourist firms.

Q: Is there any risk in forming these possible joint ventures with North Korean counterparts?

A: We are determined to run a possible risk in some sense. The creation of a firm base for mutual confidence, however, is no less important than seeking corporate profit. As a way to reduce the risk, an insurance system could be introduced for example.

Q: North Korea has no private enterprises. Who in North Korea will become your counterparts if the proposed trade is started?

A: We understand that North Korea has economic organizations to trade with other Western countries with which North Korea has no diplomatic ties. There is no problem.

Q: What do you think is the net gain arising from the trade?

A: It will be considerable. First of all, we could cut down on freight charges, maybe even customs duties.

#### SECURITY COMMAND ANNOUNCES ROUNDUP OF NORTH AGENTS

SK140258 Seoul THE KOREA HERALD in English 14 Oct 84 p 8

[Text] The Defense Security Command yesterday announced it has rounded up six persons, including four second-generation Korean residents of Japan, on charges of having spied for North Korea.

The command said they belonged to six separate espionage rings. They were referred to the prosecution on charges of violating the National Security Law and other relevant provisions. Six others were also indirectly involved, but they were released as they were repentant, the command said.

The arrested were identified as Yun Chong-hon, 31, a junior at Korea University; Ho Chol-chung, 31, a graduate student at Yonsei University; Cho Il-chi, 28, a senior at Songgyunwan University; Cho Sin-chi, 29, a trainee at Yonsei University's Korean language institute; So Kyong-yun, 38, an employee at a sewage disposal plant in Cheju and Yi Min-ho, 36, a fisherman who had been abducted to North Korea while operating in the East Sea.

Of these, Yun, Ho and the two Chos are second-generation Korean residents in Japan. They are suspected of having passed secret information about security arrangements in major government installations and about student demonstrations to North Korean agents active in Japan.

They came to Korea under instructions from North Korean operatives in Japan between April 1979 and April 1983 under the pretext of studying at Korean universities. They acted independently of each other and tried to establish underground spy networks, according to the announcement. The espionage activities committed by the six, as disclosed by the Defense Security Command, are:

Yun Chong-hon came to Seoul in April to the medical college of Korea University as a sophomore. A graduate of Kyoto University in Japan, Yun worked in a pharmaceutical company in Osaka before coming to Korea. While studying in Kyoto, he was won over by Asac Yoshiyama, a Japanese agent active for North Korea. He visited North Korea in August 1975 to receive an eight-day training necessary for infiltration into the South.

After being admitted to Korea University in Seoul in March 1980, he instigated campus disturbances. He reported to Yoshiyama information about the Kwangju incident and campus demonstrations as well as major incidents which occurred in the South. He also provided information about the Integrated Government Building, the Ministry of National Defense, the Army Headquarters, the Military Academy, the Eighth U.S. Army and other key government agencies.

Ho Chol-chung graduated from Nihong University in Japan in March 1978, was "brainwashed" by Chon Il-kyong, a North Korean agent active in Tokyo, in November of the same year. His father was awarded two Kim Il-song medals. Ho, who served as a Chochongnyon chapter chief in Tokyo, "converted" to the pro-Seoul Korean residents association in Japan (Mindan) in December 1977. After arriving in Seoul in March 1982, he entered Yonsei University Korean Language Institute.

He reported to Chon the information about the security situation of the Kori nuclear power plant, the Capitol Building and the Integrated Government Building, and about campus disturbances caused by Yonsei University students and the Seoul citizens' response to the campus unrest.

Cho Il-chi, a senior of Songgyungwan University in Seoul, had received private lessons about North Korean communist ideology from a Japanese agent, identified as Yamamoto, for North Korea beginning December 1976.

Cho received a scholarship from a pro-North Korea students' association in Japan where he studied at a high school in Hiroshima. Under Yamamoto's instruction, Cho enrolled in a Seoul National University (SNU) special course for Korean students residing in foreign countries April 1982 before he entered Songgyungwan.

While touring Hyundai Shipyard in Ulsan and other major industries as part of the course, Cho took photos of key facilities for Yamamoto. He also reported the industries' production capacity and other information to the agent. He also collected information about military installations in frontline areas, Homeland Reserves Forces (HRF) training, coastal defense system and other national security for Yamamoto.

Cho Sin-chi allegedly attempted to set up an underground espionage ring while collecting information about student demonstrations and citizens' response as well as national and military secrets after he enrolled in the Korean Language Institute at Yonsei University in April 1983.

Shortly after he entered Ottemon University in April 1975, Cho allegedly joined a youth league under the control of the anti-Korean organization Hanmintong, and was contacted by Chochongnyon cadre member Kim Chung-pae.

After he came to Korea on April 1983 under Kimura's instruction, Cho took pictures of major Seoul university campuses for the Japanese. He also sent maps of Korea and Seoul city and antigovernment leaflets to the Japanese.

So Kyong-yun worked for a while at an auto tire shop on Cheju Island after being discharged from military service in 1968. He illegally entered Japan in January 1969 to meet his close relative So Sang-hyuk, 58, residing in Osaka. He began to make contacts with his aunt So Sang-hwa, 59, who was then head of an Osaka branch of Chochongnyon. He eventually joined the Chochongnyon branch. So returned to South Korea in June 1970 with a mission to teach about the "evils" of capitalism to his close friends, collect secrets concerning military bases and facilities and to recruit his friends to consolidate an underground espionage network.

Yi Min-ho came to Seoul in July 1966 after discontinuing at a junior high school in Chollanam-do. He had no fixed job till he became a crewmember of the Taechong-ho No 2, a vessel based at Cheju Island. The ship was seized by North Korean patrol ships in November 1980 while operating on waters off the western coast. He was brainwashed by North Korean espionage instructors for 10 months and joined the Korea Workers' Party before he was released to the South in August 1981.

Yi collected information about police and military vessels, as ordered to do so by the North, while living in Cheju Island.

#### PRIME MINISTER CALLS FOR END TO CAMPUS VIOLENCE

SK140106 Seoul THE KOREA TIMES in English 14 Oct 84 p 1

[Text] Prime Minister Chin Ui-chong said yesterday that the recent extreme actions by a handful of students should never be left as they are, stressing that now is the time when the vicious circles on campus had to be stopped.

In testimony, the premier noted that "a few radical students" were resorting to extremism, tainted with Neo-Marxism and the so-called liberation theology.

Answering questions by lawmakers in a plenary session on the major current issue of student protest moves, he said, however, that the government would push ahead with its policy for school autonomy, while coping with illegal acts by students with stern measures. In the session, the lawmakers urged the administration to work out proper measures to solve the ever-worsening campus problems.

In particular, Rep. So Chung-won of the main opposition Democratic Korea Party suggested the formation of a "pan-national committee" to handle the student movement as it took an increasingly radical course. He proposed that the panel be made up of politicians, professors, parents, journalists, judges and lawyers. He claimed "The ceaseless campus problem should be dealt with in pan-national efforts from its very root."

Four lawmakers from three major parties questioned the government about social affairs yesterday. Their interpellations were focused mainly on campus disturbances, the labor movement, the medical insurance system and living conditions of farmers and low-income urbanites.

"At this very moment, student demonstrations are going on," So argued. "For how long must these deplorable scenes of shoutings, flying stones and tear gas continue?"

Rep Su Chong-yul of the same party also took issue with the campus problems, asking whether the government was "faithfully and consistently" promoting its policy for school autonomy. He claimed: "The government must know that there is a criticism that the school autonomy was in fact a heteronomy. Does the government believe that such a policy can succeed?"

Rep No Tae-kuk of the second opposition Korea National Party insisted that the government's "liberalization policy" failed most seriously in the "uniform and compulsory" measure to allow free hair styles and dress codes for high and middle school students. He asked whether the government would give a free hand to school authorities on students' hair styles and dress codes.

The two lawmakers of the DKP, touching on recent disputes between labor and management, also demanded that the government revise labor related laws to ensure free trade union movement. In particular, Rep Su asked the administration to bare the whole picture of the latest dispute involving the Chonggye Garment Trade Union. Rep So stressed that some laborers were resorting to "physical means" to realize their demands since their rights and interest could not be protected through dialogues with their employers.

"In case of the Chonggye Union, its members claim that they had to take to the street to demand improvement of their working conditions because the government protects the employers," he said. The current medical insurance system, which only favors urban residents, was also a sizzling issue of the lawmakers' interpellation.

All four lawmakers, including Cho Sang-nae of the ruling Democratic Justice Party, urged the administration to have all farmers and fishermen be eligible to benefit from the medical insurance system.

#### CHON DISAVOWS POLICIES SEEKING POPULARITY

SK130125 Seoul THE KOREA TIMES in English 13 Oct 84 p 1

[Text] President Chon Tu-hwan asked the pertinent administrations yesterday to work out economic policies on a longterm perspective without seeking temporary popularity during the election season. Chon said that the country would witness a vicious circle of inflationary spiral and subsequent corruption should the government carry out its economic policy programs only aiming at public popularity.

"Accordingly, various economic policies should be put into force to ensure the livelihood of the people and substantial buildup of national strength," he said during a monthly economic briefing session at the Economic Planning Board (EPB). Saying that some government ministries are still meddling in the affairs of government-financed corporations, Chon asked them to delegate authority to enterprises under their administrative control. The chief executive pointed out that the autonomy of government-invested enterprises has not been fully realized as the related ministries are interfering with their businesses as a tradition. Then, he called upon the administration to take prompt steps including the revision of laws, if necessary, to ensure their free operation. President Chon advised export businesses to double their efforts to secure markets through close study of administration systems, laws, and customs of foreign countries.

DEJID SEES NAMSRAY DELEGATION OFF FOR GDR

OW080851 Ulaanbaatar MONTSAME in Russian 1518 GMT 5 Oct 84

[Text] Ulaanbaatar, 5 Oct (MONTSAME) -- At the invitation of the SED [Socialist Unity Party of Germany] Central Committee, an MPR party and government delegation headed by T. Namsray, member of the Politburo and secretary of the MPRP Central Committee, left here today for Berlin to takepart in celebrations on the occasion of the 35th anniversary of the formation of the GDR.

The delegation was seen off at the Bayant-uhaa Airport by B. Dejid, member of the MPRP Central Committee Politburo and chairman of the Party Control Committee of the MPRP Central Committee; and other officials, as well as H. Bauer, GDR ambassador to the MPR, and S.P. Pavlov, USSR ambassador to the MPR.

SOVIET DELEGATION CONCLUDES VISIT, DEPARTS

OW121457 Ulaanbaatar MONTSAME in Russian 1524 GMT 5 Oct 84

[Text] Ulaanbaatar, 5 Oct (MONTSAME) -- A CPSU delegation led by O.A. Chukanov, deputy chief of a CPSU Central Committee department, left Ulaanbaatar for home today. The Soviet delegation was in Mongolia in accordance with the plan of interparty cooperation between the MPRP and the CPSU. [passage indistinct].

GOMBOJAB, RAGCHAA SEE NURIYEV OFF FOR USSR

OW080847 Ulaanbaatar MONTSAME in Russian 1510 GMT 5 Oct 84

[Text] Ulaanbaatar, 5 Oct (MONTSAME) -- A delegation headed by Z.N. Nuriyev, deputy chairman of the USSR Council of Ministers and chairman of the Soviet part of the Mongolian-Soviet Intergovernmental Commission for Economic and Scientific and Technical Cooperation, has left for home after taking part in the 28th regular session of the commission.

The delegation was seen off at Bayant-Uhaa Airport by D. Gombojab, member of the Politburo and secretary of the MPRP Central Committee; T. Ragchaa, member of the MPRP Central Committee Politburo, first deputy chairman of the MPR Council of Ministers, and chairman of the Mongolian part of the Commission; D. Sodnom and M. Peljee, deputy chairmen of the MPR Council of Ministers, and other officials, as well as S.P. Pavlov, USSR ambassador to the MPR.

MPR, SFRY SIGN TRADE PROTOCOL FOR 1985

OW080845 Ulaanbaatar MONTSAME in Russian 1459 GMT 6 Oct 84

[Text] Ulaanbaatar, 6 Oct (MONTSAME) -- A protocol on mutual deliveries of goods between the MPR and the SFRY for 1985 has been signed in Belgrade.

The protocol was signed by N. Babuu, head of an MPR government trade delegation and MPR deputy minister of foreign trade, and M. Smilenski, head of an SFRY government trade delegation and assistant federal secretary of the SFRY federal Secretariat for Foreign Trade.

PARTY CENTRAL COMMITTEE HOLDS MEETING 11 OCT

BK120633 Rangoon Domestic Service in Burmese 1330 GMT 11 Oct 84

[Text] The 12th meeting of the Burma Socialist Program Party [BSPP] Central Committee began at 0900 today at the central conference hall in the presidential compound on Ahlone Road. BSPP Chairman U Ne Win presided over the meeting and Secretary U Than Hlaing officiated as secretary.

As the meeting began, the secretary announced the validity of the meeting and declared it open. Next, BSPP General Secretary U Aye Ko presented the report of the party Central Executive Committee. This was followed by U Ba Thaw, secretary of the party Inspection Committee, who presented the report of his committee, and then by U Khin Aye, secretary of the party Discipline Committee, who submitted the report of his committee.

Joint General Secretary U Sein Lwin then reported on matters relating to the People's Assembly. Members of the Central Committee later cast secret ballots to decide on these matters.

Next, Secretary U Win Maung reported on matters relating to appeals submitted to the Central Committee. Central Committee members then voted on these matters.

Joint General Secretary U Sein Lwin later reported on matters concerning the convening of the Fifth BSPP Congress and the establishment of a commission to convene the Fifth BSPP Congress and the establishment of a commission to convene the Fifth BSPP Congress. Central Committee members later voted on these matters.

Next, Central Committee member U Saw Han Thein discussed the reports of the Central Executive Committee, the party Inspection Committee, and the party Discipline Committee. The meeting was then recessed.

When the meeting resumed, six Central Committee members -- U Win Shein, U Phone Hlaing, U Kyaw Thein, U Tun Aye, U Thant Sin, and Colonel Aung Ye Kyaw -- continued discussions on the reports.

The 1st day session ended in the afternoon.

TRADE MINISTRY ISSUES ORDER ON PADDY PROCUREMENT

BK120643 Rangoon Domestic Service in Burmese 1330 GMT 11 Oct 84

[Text] The Ministry of Trade has issued Order No 2/84 on regulations concerning the purchasing and selling of paddy from peasants in the 1984-85 season.

The order says the state will be the sole purchaser of paddy produced by the peasants in 170 townships in 1984-85. Peasants of the 170 designated townships must sell their paddy only to the Agricultural and Farm Produce Trade Corporation [AFPTC]. Township people's council executive committees, in accordance with Order No 4/78 of the Ministry of Agriculture and Forests, must prescribe the amount of paddy each peasant must sell. In accordance with the quotas prescribed by the relevant township people's council executive committees, peasants must sell their paddy at the fixed prices to the AFPTC by 30 April 1985 -- the 12th waxing moon of Kasone, 1347 [Burmese year].

In Kachin State, Sagaing Division, Mon State, and Arakan State, peasants, after fulfilling their paddy selling quotas, may mill their excess paddy into rice and sell their produce directly to the consumers only within their own regions and in accordance with the directives of the respective state and division people's council executive committees.

In other states and divisions, peasants who have excess rice may sell their produce only within their own townships in accordance with the directives of the AFPTC which will be issued from time to time.

Action will be taken against those who violate the regulations stipulated in this order or any rules issued on the basis of this order. The action may even result in the withdrawal of the right to work on a farm.

#### TRADE MINISTRY EMPOWERS COUNCILS ON PADDY SALES

BK120655 Rangoon Domestic Service in Burmese 1330 GMT 11 Oct 84

[Text] The Ministry of Trade has issued Order No 3/84 today concerning the sale of paddy produced by the peasants in 1984-85 in accordance with directives of state and relevant division people's council executive committees.

The order says that in townships other than the ones in which the Agricultural and Farm Produce Trade Corporation will be the sole purchaser of paddy as stipulated in Order No 1/84 dated 11 October 1984 of the Ministry of Trade, state and division people's council executive committees may, after consultations with the Ministry of Cooperatives, issue orders and directives as necessary to earmark townships from which paddy will be bought and the method of selling paddy.

In townships earmarked for paddy purchasing, township people's council executive committee may prescribe the quota of either paddy or milled rice each peasant must sell in accordance with the directive of respective state and division people's council executive committees. After fulfilling their prescribed sale quotas, peasants who have excess paddy may mill it into rice or rice products and sell this directly to the consumers in accordance with the directives issued by the respective state and division people's council executive committees.

Action will be taken against people who violate the regulations stipulated in this order or any rules issued on the basis of this order. The action may even result in the withdrawal of the right to work on a farm.

#### FOREIGN MINISTER RETURNS FROM UN SESSION 10 OCT

BK101434 Rangoon Domestic Service in Burmese 1330 GMT 10 Oct 84

[Text] U Chit Hlaing, minister for foreign affairs and leader of the Burmese delegation to the current UN General Assembly in New York, returned to Rangoon by air this afternoon. Minister U Chit Hlaing was received at Rangoon airport by air this afternoon. Minister U Chit Hlaing was received at Rangoon airport by Minister for Mines U Than Tin; Trade Minister U Khin Maung Gyi; Minister for Livestock Breeding and Fisheries U Sein Tun; Deputy Foreign Minister U Hla Shwe; responsible officials; dean of the diplomatic corps in Burma and Philippines Ambassador Constante Ma Cruz; British Ambassador to Burma Mr Nicholas M. Fenn; U.S. Ambassador to Burma Daniel O'Donohue; Singaporean Charge d'Affaires (David H. L. Leong); and UNDP Resident Representative Erling Dessau.

Director of the Foreign Ministry U Tin Win and personal aide to the minister Naval Captain Zaw Lin also returned with the minister.

The foreign minister delivered a speech at the UN General Assembly on 3 October.

Deputy leader of the Burmese delegation and Burma's Permanent Representative to the UN U Saw Hlaing and other members of the delegation are still attending the 39th UN General Assembly.

ETHIOPIAN INFORMATION MINISTER ENDS VISIT

BK041400 Rangoon Domestic Service in Burmese 1330 GMT 4 Oct 84

[Text] The visiting Ethiopian minister for information and national guidance, Dr Felleke Gedle-Giorgis, and his delegation left Burma by air this morning. They were seen off at the airport by Deputy Minister for Information U Taik Soe, and directors general and managing directors of departments and corporations under the Ministry of Information.

THAI PAPER REPORTS FIGHTING BY SHANS, KAREN

BK080954 Bangkok BANGKOK WORLD in English 8 Oct 84 p 3

[Text] Heavily-armed Burmese rebels under the command of world drug kingpin Khun Sa yesterday attacked and captured a Kuomintang base after several hours of fierce fighting close to the Thai border, a Border Patrol Police source from Mae Hong Son Province told the WORLD this morning.

Casualties in the fiercest clash so far this year were not known but the police source said it was believed that casualties on both sides must be high as the combatants were using mortars, recoilless guns and assault rifles.

The source said the fighting started at about 1 p.m. when an estimated 100 rebels of the Shan United Army (SUA) moved from their camp at Ban Kai Luang, about three kilometers from the Thai border, and headed toward the KMT base near the border.

The KMT base, which was opposite Mae Hong Son Muang District, was commanded by Lt-Col Kaising Sae Yang who broke away from the 93rd Division when it surrendered its weapons to the Thai authorities under the Thai Government's policy on minority groups.

The SUA rebels surrounded the base and then opened up with mortars, recoilless guns and automatic rifles.

The KMT remnants in the base put up a strong resistance in a bid to drive off the invaders. The police source said that in the fighting which was concentrated mainly in mountainous jungles and dragged on until dusk the KMT defenders decided to abandon their base and put up a new defence line to the north in Man Mong hill. The fighting died down last night after the KMT retreated. The source said the fighting was likely to continue today.

The border police source said the SUA's mission was aimed at expanding Khun Sa's influence along the Thai-Burmese border to help his narcotics trade, illegal taxation and other illicit activities. Earlier this year SUA rebels led by Khun Sa also attacked and seized a stronghold of Pa-O National Front, an ally of the Karen National Union under the command of Gen Bo Mya. Many rebels were killed and wounded in that attack, the source said.

The source said there was a series of attacks on Burmese rebels by the SUA after that incident which caused Gen Bo Mya to declare during a recent meeting that he would teach Khun Sa a lesson after he finished his current fighting with Burmese troops.

Meanwhile another border police source said fighting continued today between Burmese Government troops and a Burmese rebel group belonging to the National Democratic Front led by Col Tin Mong. The source said the fighting erupted when Col Tin Mong and about 500 rebels attacked a Burmese outpost, opposite Tha Song Yang District of Tak, on Saturday afternoon. The outpost was manned by about 700 Burmese troops. The source said that an initial report confirmed 15 Burmese troops had been killed and 43 wounded while the Karen suffered three dead and 10 wounded. The Karen seized a number of weapons during the fighting which was still raging at press time today.

VOPB 'ARTICLE' MARKS PRC FOUNDING ANNIVERSARY

BK041121 (Clandestine) Voice of the People of Burma in Burmese 0030 GMT 4 Oct 84

[Unattributed "article": "Long Live the PRC!"]

[Text] It has been 35 years since the birth of the People's Republic of China. On this occasion, the words of Comrade Mao Zedong -- the leader of the Chinese people -- as he proclaimed "The Chinese people have stood up!" from the pavilion of Beijing's Tiananmen Square on 1 October 1949 come to mind. The Chinese people have indeed stood up. Several months after Comrade Mao Zedong's proclamation, Chinese volunteer troops crossed the Yalu River and joined the Korean war to fight the U.S. aggressors who were then approaching the Chinese border. In this war, volunteer troops from a republic in its infancy tamed U.S. imperialism -- a country which at that time was militarily and economically the strongest in the world. At the same time, the war-ravaged and outmoded old China was transformed into a completely new and modernized nation.

Compared with 1949, industrial production in China today has increased 57 times while agriculture production, as compared with 1952, has tripled. China has also become one of the world's frontrunners in producing several important industrial goods. For instance, China is the world leader in textile production and ranks third in production of coking coal, fertilizer, and cement. China ranks sixth in electrical power generation and seventh in crude oil production.

Although the Chinese people were the first to make use of gunpowder it was only through the imperialists that guns were introduced to China. Today however, China has nuclear weapons for its national defense and also produces medium and long-range missiles. It also has the capability to launch communications satellites.

Once derided as the sick man of Asia, China is now a country winning many gold medals in the Olympics. On the international chessboard, China can no longer be considered merely as an Asian country with a vast territory and large population. Today, everybody knows that politically, economically, as well as diplomatically, China is a very important country which cannot be ignored.

Once, U.S. imperialism, resorting to all tricks, prevented China from joining many of the international organizations, including the United Nations. But today it seems as if the U.S. Constitution has been rewritten with a stipulation that all new U.S. presidents visit Beijing at least once. China today enjoys diplomatic relations with about 130 countries and territories and is a member of many international organizations.

Today, when China is wreathed with successes it is natural to recall the years when the people, the communists, and their leaders made sacrifices and toiled hard to reach this stage.

The recorded history of China goes back more than 3,000 years. Even then, the country remained an outmoded, semifeudal, and semicolonial society until the 20th century. There were many revolutions and uprisings during this period, but it was only after the establishment of the Communist Party of China that history made a turnabout. It was only then that the oppressed Chinese people were brought under a unified leadership, and adopted a systematic and scientific revolutionary strategy.

However, it was not all smooth sailing in that phase of history. Only after overcoming great difficulties and traversing twists and bends did the Chinese people and the CPC begin to grasp the revolutionary line toward victory and build up Mao Zedong thought. Class analysis and the people's democratic revolutionary line, integration of the armed struggle with other forms of struggle while keeping the armed struggle as the main form of struggle, encircling the cities from the rural bases, and so forth have all become model guidelines for the people of the world, especially the people in semifeudal and semicolonial countries.

The new China of today was born only after the integration over many years of these correct guiding principles with a willingness to sacrifice by the persevering Chinese people. Just as the victory of the Chinese people made a great contribution to the movements and struggles of the world's peoples, so these movements and struggles also had a profound impact on the Chinese people's victory.

On the auspicious occasion of the 35 founding anniversary of the PRC, we wish the Chinese people, who have attained many victories under the leadership of the CPC, even more successes in the future.

#### REASONS KAREN REBELS NOW 'MAIN TARGETS' VIEWED

BK091603 Rangoon THE WORKING PEOPLE'S DAILY in English 30 Sep 84 p 5

[Aung article: "Which Path Will the KNU Choose?"]

[Text] The KNU [Karen National Union] group today is in a quandary. It is an insurgent group which is on the horns of a dilemma, unable to move forward or back, like a gourd in a thicket of thorns, as a Burnese saying goes, left in straitened circumstances. Looking back at the course of events which led the KNU group into such unenviable circumstances it will first be seen that this started from the very ignoble beginnings of the KNU group.

The colonialists, wherever they went, were in the habit of causing frictions among people of the same land -- like covering a domestic fowl with soot to start a cockfight. The KNU group is one of the groups included in the list of having been "covered with soot".

At the start of their insurgency, the KNU's once were able to gain foothold in strategic regions in Burma. Although they gradually lost their foothold in these strategic regions due to the offensives launched by the Pyithu Tatmadaw [People's Armed Forces], they were able to find refuge in the deltaic region and along the Pegu Yoma up to about 15 years ago. The Pyithu Tatmadaw, hand in hand with the mass of people, launched Operation Sin Min against the multicoloured insurgents, including the KNU's, in 1966. From then onwards, the Tatmadaw waged regular offensives against the insurgents and in 1971, as a result of Operation Htawpaing, waged by the Tatmadaw with the full support of the people, the multi-coloured insurgents, including the KNU's, had to flee from the deltaic region. Likewise, the KNU's and other armed insurgents had to flee from the Pegu Yoma in disarray to seek refuge in border regions as a result of Operation Aung Soe Moa, waged with the active participation of the local populace in 1975.

The main reason behind the continuous downfall of the KNU's is not only their demand for protection money from the local populace under the pretext of narrow racialism but also their atrocious acts against the life and property of the national groups resulting in the massive retaliation of the incensed people against them, leading to their downfall.

The KNU's not only caused all kinds of troubles for the various national groups who share the same land and water with them but they also oppress and terrorize Karen nationals of their own kind. Whenever they terrorize their own people, the KNU's always utter one phrase, that as they were entering battle for the liberation of the Karen nationals, that the Karen nationals must by all means provide them, the KNU's, with men, materials and money. The Karen nationals must provide them with double or triple the amount provided by other national groups.

The KNU's not only forcibly extort men, materials and money from the Karen nationals but they also committed and continue to commit activities which harm people's interests by firstly placing narrow racialism in the fore; secondly by accepting the leadership of the BCP's [Burma Communist Party] and, at present, sending youths of various national groups, the majority of them Karens, to the execution ground.

The KNU's, who did not achieve any success in switching over from the first way to the directly opposite second way, became stooges of capitalists of another country and started implementing their third way -- engaging in smuggling activities to further their own selfish interests.

Knowing full well the value of the country's mineral resources, the KNU's are smuggling out these precious items for big and small capitalists from another country at whatever price they can get. They also smuggle out teak and mineral ores. They exchange draught cattle for whatever commodities they can get. They even go to the extent of smuggling out the country's cultural objects like antique works of art and sculpture and ancient Buddha images.

As a result of the KNU's smuggling activities to further their own self interests, they have brought on ill effects to the country like creating disturbance in the economy of the country; giving rise to a new breed of people who want to take a short-cut to get rich; creating illegal inlets and outlets into and out of the country; marring the rule of law and order to the detriment of the national groups living in the border regions; and causing loss to the country's mineral wealth and cultural objects. However, the KNU leadership is greatly satisfied with the leftovers and are continuing their nefarious destructive acts.

The KNU's are not satisfied with having caused so much trouble to the country. With the objective of winning the interests of the capitalists, big and small, in their illegal economic activities, they even invited personnel from some foreign mass media to publicize their cause and to establish contacts and get aids from bigtime foreign capitalists. As a result, the KNU's from among the various insurgents groups within the country have become one of the main targets for total elimination.

Hence, regardless of the season, the Pyithu Tatmadaw has been working hand in hand with the people in waging offensives to totally eliminate the KNU's, beginning from the 1983 open season up to date. Following the fall of the KNU's economic and military camp at Mae Tha Waw on 24 January 1984, the Tatmadaw, with the massive support of the working people, captured the KNU's fortified base camps along the border as well as their economic and military camps in succession.

As a result of the Tatmadaw's offensives, the KNU's today have been hard hit economically as well as militarily. They are now reduced to the situation where they are having to defend their last border camp or two with whatever they have got. The KNU's have very little choice to make.

Since the KNU's first went underground on 31 January 1949, the state held peace parleys with the multicoloured internal insurgents, including the KNU's, and granted amnesties and welcomed the insurgents back to the legal fold with open arms on several occasions for achieving internal peace and tranquillity.

However, the present KNU's, ignoring the state's goodwill, always chose their own selfish path and they always put up unreasonable points at the peace talks and ignored the amnesties granted by the state.

The internal insurgents, including the KNU's, enjoy their ignominious existence up to this day only because the state has been dealing with them in a restrained manner like settling a family problem within the family. For example, insurgents who realize their erroneous ways, lay down their arms and return to the legal fold to follow the correct path are welcomed with open arms like someone who returns home after having left over a family tiff.

The KNU's who have been committing various kinds of atrocities from the very beginning to the present when their days are numbered; the KNU's who abandoned the national interests to pursue their own self interests; the KNU's who exploited other insurgent groups; the KNU's who accept foreign capitalists as their masters and commit various forms of traitorous acts against the state are now nearing their sunset time.

Under present conditions there are only two choices the KNU's can make. They are: continue to fight in scattered groups in the border regions till their gradual elimination; work in the interests of the country and the people within the fold of law.

Hence, let us wait and see which path the KNU's will choose.

#### BRIEFS

PRC JOURNALIST DELEGATION ARRIVES -- Under the bilateral cultural cooperation program between the Socialist Republic of the Union of Burma and the PRC, a 3-member PRC journalists' delegation headed by the editor in chief of RENMIN RIBAO's international affairs department, (Yao Wujin), flew to Burma this morning. The delegation was received at Rangoon airport by the director of news of the News and Periodicals Corporation, U Hla Tun, responsible officials, Counselor (Chen Dong) of the PRC Embassy, and staff members of the PRC Embassy. Other members of the PRC delegation are correspondents Mrs (Wei Yugin) and Mr (Deng Gafei). The PRC delegation this evening visited the News and Periodicals Corporation and met with the managing director, U Khin Maung Aye; consultants; directors; and editors in chief. The delegation later visited the THE WORKING PEOPLE'S DAILY press. The PRC journalists' delegation plans to stay in Burma for 2 weeks. [Text] [Rangoon Domestic Service in Burmese 1330 GMT 8 Oct 84 BK]

BOU THANG GREETS CSSR DEFENSE MINISTER

BK061033 Phnom Penh Domestic Service in Cambodian 0430 GMT 6 Oct 84

[Text] PRK Defense Minister Comrade Bou Thang has sent a greetings message to CSSR Defense Minister General Martin Dzur on the occasion of the 40th founding anniversary of the Czechoslovak People's Army. The message says:

Under the correct and wise leadership of the CPCZ [Czechoslovak Communist Party] and the CSSR Government, the Czechoslovak People's Army has constantly consolidated and developed as a powerful army and, with the Warsaw Pact Allies' Armed Forces, has firmly and effectively defended the western border of the fatherland.

On this occasion, we would like to express our profound gratitude to the Czechoslovak People's Army for giving all kinds of assistance, material and moral, to our KPRAF. This constitutes a great contribution to the cause of defending and building the glorious Kampuchean fatherland. We wish you and all cadres and combatants of the Czechoslovak People's Army good health, great strength, and success in fulfilling all tasks according to the spirit and content of the resolution of the 16th CPCZ Congress.

BOU THANG SENDS MESSAGE TO POLISH COUNTERPART

BK121702 Phnom Penh Domestic Service in Cambodian 0430 GMT 12 Oct 84

[Text] On the occasion of the 41st anniversary of the Polish People's Army, Comrade Bou Thang, defense minister of the PRK, sent a congratulatory message to General Florian Siwicki, minister for national defense of the Polish People's Republic. The message, among other things, says:

Under the clear-sighted and astute leadership of the Polish United Workers Party and the government of the Polish People's Republic, the Polish People's Army has constantly strengthened its character as a modernized and strong force and, with the forces of the Warsaw Pact, has firmly defended its beloved fatherland.

We are convinced that the relations of friendship between our two peoples and armies will certainly develop in our common goal of defending and building socialism and contributing to defending world peace. Once again, I would like to wish you and all the combatants of the Polish People's Army good health and strength to achieve every revolutionary task.

SHIPPING AGREEMENT SIGNED WITH POLAND 9 OCT

BK111524 Phnom Penh SPK in English 1141 GMT 11 Oct 84

[Text] Phnom Penh SPK October 11 -- An cooperation agreement between the Kampuchea shipping agency and brokers (Kamsab), the "Polish Oceanic Lines" was signed in Phnom Penh on Tuesday. Signatories were Sum Vong, acting deputy chief of the [word indistinct] department of the Ministry of Posts, Transport and Communications and Boguslaw Nowakowski, acting charge d'affaires of the Polish Embassy. Early this year, the same agreement was also concluded with the GDR.

LEADERS GREET GDR COUNTERPARTS ON ANNIVERSARY

AU111355 East Berlin NEUES DEUTSCHLAND in German 8 Oct 84 p 13

[Text] To Comrade Erich Honecker, general secretary of the SED [Socialist Unity Party of Germany] Central Committee and chairman of the GDR State Council, and Comrade Willi Stoph, member of the SED Central Committee Politburo and chairman of the GDR Council of Ministers.

Dear comrades: On the 35th anniversary of the founding of the GDR, it gives us great pleasure to extend warmest congratulations and fraternal greetings to you, the SED Central Committee, the State Council, the Council of Ministers, and to the people of the GDR on behalf of the Central Committee of the Kampuchean People's Revolutionary Party, the State Council, Council of Ministers, and people of the People's Republic of Kampuchea, and on our own behalf.

The October 1949, the Founding Day of the GDR, is a historic day both for your heroic people and the history of all oppressed peoples in the world. We are glad about all the successes registered by the people of the fraternal GDR under the correct leadership of the SED for the cause of building and defending their glorious socialist homeland. In view of the dangerous tension caused by the imperialists, the GDR is making an active contribution to the struggle aimed at ensuring a lasting peace in the world, which is a primary task of mankind today. We value the stance taken by the GDR very much because it always aims at preventing the danger of a nuclear war and new complications in the international situation, and to counteract the arms race policy promoted by the imperialist circles in order to guarantee peace and security in the world.

We note with pride that the relations of fraternal friendship and of close cooperation between our two parties countries, and peoples are constantly being strengthened and developed on the basis of the principles of Marxism-Leninism and proletarian internationalism. We are determined to continue to strengthen the links of solidarity and many-sided cooperation between our two countries in the interest of strengthening peace and socialism. Dear comrades, please accept our best wishes for good health and further great successes in fulfilling your noble tasks to the benefit of your heroic people and the flourishing of the GDR.

With the highest esteem!

[Signed] Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK State Council; and Chan Si, member of the Politburo of the KPRP Central Committee and chairman of the PRK Council of Ministers

COMMENTARY DISCUSSES SUPPORT FOR CGDK 'CORPSE'

BK131012 Phnom Penh Domestic Service in Cambodian 1200 GMT 12 Oct 84

[KANGTOAP PADEVOAT commentary: "Gratuitous Word-Pedling in the Service of the Traitorous Policy"]

[Text] In the past few years, at the beginning of fall when the UN General Assembly session opens, the international reactionary forces with Beijing and Washington as their ringleaders have made a lot of noise in their activities to mislead international public opinion about the real situation in Kampuchea and seek votes for the political corpse of the so-called Democratic Kampuchea so that it would be able to continue to illegally the Kampuchean seat at the United Nations.

Recently the comedian's role in this farce staged by these reactionaries was played by over-the-hill Prince Sihanouk. It is very true that the speech that Sihanouk delivered recently at the United Nations is only the memorized reiteration of various allegations made by the U.S. imperialists, the Chinese expansionists, and other reactionary forces that are their lackeys.

Although they have made every effort to add new allegations to old ones, the significance of this farce has remained the same -- to resuscitate the political corpse of Democratic Kampuchea by distorting the real situation about the revival of Kampuchea. But no one can hide a dead elephant with a fig leaf. The old story about the presence of Vietnamese volunteer troops in Kampuchea has been used by the reactionary forces as a pretext for the accusation of Vietnamization. This old story must be abandoned because the presence of these friendly troops was the correct answer to the necessary appeal and wish of the Kampuchean people and revolution threatened by the genocidal Pol Pot clique, the cheap and most subservient lackeys of the Beijing Chinese expansionist-hegemonist clique. During nearly 4 years of the blood-thirsty regime of the so-called Democratic Kampuchea, more than 3 million of our people were barbarously massacred. The survivors have made every effort to restore their country and nation, which suffered seriously from this traitorous policy.

At present the Pol Pot gang and other Khmer reactionaries and traitors have been assisted and encouraged by their Beijing and Washington masters to obstruct the re-birth of the Kampuchean people by using Thai territory as their refuge. The fraternal Vietnamese troops liberated us from the danger of geniocede and have continued to sacrifice their flesh and blood to defend our people. Therefore, the presence of Vietnamese troops, which has been conformed to the treaty of peace, friendship, and cooperation between our two countries -- Kampuchea and Vietnam -- signed in February 1979, has been an important factor guaranteeing our existence and victory.

There is another story about the reconciliation in a so-called coalition government which is only a trick. This is a poisonous trick aimed at reducing the struggle of our Army and people. The real nature of this trick is to allow the reactionaries, especially the Pol Pot gang, to return to govern and kill our Kampuchean people once again. Sihanouk has betrayed his own people and his own sufferings because he was a victim of the Pol Pot murderous gang. Now, he embraces these murderers whose hands are stained with the people's blood. At present Sihanouk has appealed to the PRK Government, which is the sole legal representative of the Kampuchean people, to shake hands with the murderers who killed over 3 million Kampuchean. Such a proposal from the representative of a government accepted at the United Nations but in reality possessing neither territory nor people is very shameful and unreasonable. As the real owners of the country, our Kampuchean people have steadily developed our country. Achievements that have been scored in all fields during the past nearly 6 years under the clear-sighted leadership of the KPRP have clearly displayed our Kampuchean revolution's strength. Not only are we alive but we have strongly grasped our destiny. The Kampuchean revolution is completely irreversible.

All Kampuchea's internal affairs must be resolved and decided by the Kampuchean people. This is the inviolable right to self-determination of all peoples throughout the world. Furthermore, we have raised many constructive propositions with the goal of transforming Southeast ASia into a zone of peace, peaceful coexistence, and cooperation through peaceful dialogue among various countries in the region based on the principles of equality and mutual respect. But the Chinese expansionists and the U.S. imperialists, as well as their lackeys, have not accepted our goodwill proposals. They have made every effort to obstruct the Kampuchean revolution with all their means such as gratuitous word-peddling. Sihanouk forgets that his gratuitous word-peddling is completely contrary to the Kampuchean people's interests and has fully served the traitorous policy. However poisonous they are, these tricks will be definitely defeated. The Kampuchean revolution will definitely be victorious. Our people's correct struggle will definitely receive many good results.

FOREIGN MINISTRY STATEMENT ON THAI 'OCCUPATION'

BK140620 Vientiane Domestic Service in Lao 0500 GMT 14 Oct 84

[Statement issued 14 October by the LPDR Foreign Affairs Ministry]

[Text] In the past few days, the tension in the Lao villages of Ban Mai, Ban Kang, and Ban Savang has been rising. The Thai occupation troops have not withdrawn from the villages as reported, but have continued to reinforce their positions, to consolidate fortified trenches, and to fire artillery shells against the adjacent areas day and night. At the same time, they have moved more Thai Armed Forces and exiled Lao reactionaries close to the border. They have also infiltrated and carried out sabotage activities and harassment in other areas in Sayaboury Province of Laos. More serious still, the ultrarightist reactionaries in the Thai ruling circles have forced and herded almost all the local inhabitants in the three Lao villages to suddenly evacuate to Thailand, and have plundered and destroyed their property. In the meantime they have accused, through various means, Lao troops of firing artillery shells into the three villages, and have fabricated a story that large-scale fighting will occur and that the local inhabitants have evacuated at their own will. The escape by nearly 50 of these inhabitants from the pressure and herding of the Thai occupation troops in the three villages is clear evidence of their deceitful propaganda.

All this is one of the most serious and barbarous acts of the Thai reactionary clique in carrying out aggression against Laos. This act is in line with their notorious scheme in colluding with the reactionary clique in the Beijing ruling circles to use Lao people to oppose the LPDR. The reality is completely contrary to the declaration on withdrawal of Thai troops from the three villages made by the Thai foreign minister, and more clearly exposes that the intention of the declaration was merely aimed at fooling public opinion and covering the dark scheme of the Thai ultrarightist reactionaries in opposing and destroying the LPDR.

The LPDR Foreign Affairs Ministry strongly protests and solemnly condemns these criminal acts of the ultrarightist reactionaries in the Thai ruling circles, and resolutely demands that they unconditionally and completely withdraw all military units and military and civilian personnel from the three villages, return all the local inhabitants forced by them to evacuate to Thailand to their native villages, pay compensation for the loss in life and property caused by them to the local people, and cease all hostile acts against the LPDR.

The ultrarightist reactionaries in the Thai ruling circles must be held solely responsible for all serious consequences arising from their criminal acts. The LPDR firmly calls on all countries and the Thai people as well as all peace- and justice-loving peoples throughout the world to stop the criminal hands of the ultrarightist reactionaries in the Thai ruling circles.

THAI TROOPS ACCUSED OF FORCING VILLAGERS OUT

BK130938 Vientiane Domestic Service in Lao 0430 GMT 13 Oct 84

[Text] Implementing a cruel tactic and ignoring condemnation by the peoples of Laos, Thailand, and the world who have demanded that they unconditionally withdraw from the three Lao villages they have illegally occupied and that they return the local inhabitants to their native villages -- and in addition to firing artillery shells against the Phou Houat area, Ban Det, Ban Muang, Ban Don, and Ban Ngai villages in Ban Ngai and Ban Det cantons in Paklai District, Sayaboury Province, thus damaging the Lao people's property -- on 8 October the Thai reactionary troops occupying the three Lao

villages of Ban Mai, Ban Kang, and Ban Savang, commanded by company commander (Thao Khoum) at Ban Mai post, gathered local inhabitants of the three villages at a meeting to hear his propaganda statement and to force them to evacuate to Thailand. On 9 October, 30 local families comprising 110 members were forced to evacuate to Thailand. Of these, 16 families were from Ban Savang village.

The Thai troops' act constitutes a towering crime against the local inhabitants. They are held solely responsible for their act in encroaching the sovereignty of Laos.

#### More Accusations Against Thais

BK140854 Vientiane Domestic Service in Lao 1400 GMT 13 Oct 84

[Text] Refusing to abandon their notorious scheme as instructed by the Beijing big-nation expansionists-hegemonists, consolidating their positions and fortified trenches, reinforcing their troops, and firing artillery shells into the Phou Houat area, Ban Det, and other localities in Paklai District, Sayaboury Province, since early October the ultrarightist reactionary Thai troops occupying the three Lao villages have brazenly burned our people's ricefields and rice barns. For instance, they recently put to the torch two rice barns of the local inhabitants -- Thao Phiang Sang and Nang Sa -- of Ban Na Poun village, Ban Mai canton, Paklai District, Sayaboury Province, burning to ashes 12 metric tons of paddy.

On 8 October, the Thai reactionary troops gathered the inhabitants of the three villages at Ban Savang village and randomly fired artillery shells to intimidate them. On the same day, they sent 20 trucks -- eight fully loaded with soldiers -- to Ban Mai and Ban Kang villages. On the return trips, they evacuated by force all the local inhabitants in the two villages to Thailand. They even threatened to kill any who refused to be evacuated to Thailand.

As for the youths in the three villages whom they forced to study in Thailand, at present 20 of them have been appointed rangers while the other 20 have been sent to mingle with our people to create disturbances.

More serious still, in October the ultrarightist reactionaries in the Thai ruling circles hired the inhabitants of Ban Bo Bia and Ban Huai Phai villages in Thailand to dig successfully a canal siphoning water from Houai Na Khou stream running from Ban Mai village to Ban Nafai village on Lao soil to Ban Bo Bia village and running into Huai Malong stream. This act of the Thai ultrarightist reactionaries clearly shows their true aggressive nature in trying to nibble at and annex Lao territory bit by bit, thus seriously encroaching on the sovereignty of the LPDR.

#### VNA: PHOUN SIPASEUT CONDEMN THAI OCCUPATION

OW130859 Hanoi VNA in English 1523 GMT 13 Oct 84

[Text] Hanoi VNA Oct. 12 -- Lao Foreign Minister Phou Sipaseut has strongly condemned Thailand's continued occupation of the three Lao hamlets in Paklai District, Sayaboury Province. Speaking at a UN Security Council meeting on Tuesday, he presented in a systematic manner recent developments in the Lao-Thai relations. He stressed that Bangkok's use of its infantry backed by tanks, armoured vehicles, artillery and aircraft to attack and occupy the the Lao hamlets was a blatant act of aggression. He denounced the Thai occupationists for committing brutal crimes against the Lao inhabitants in these hamlets, especially against women and children.

Rejecting Thailand's allegation that this question can be easily settled through negotiations based on the spirit of good neighbourliness, he said had Bangkok really wanted to solve this question it would have discussed it with the Lao side in advance. He denounced Thailand's deceptive moves including the proposal for establishing a joint Thai-Lao technical group to study the disputed areas, and the sending there of a supervisory team composed of some neutral countries. This move, he said, is aimed at pressuring Laos to accept a revision of the border in the area and creating a precedent for similar acts along the whole Thai-Lao border.

Commenting on Thai Foreign Minister Sitthi Sawetsila's recent statement about a Thai pull-out from the Lao hamlets in question, the Lao foreign minister said it was just a bluff to appease public anger and seek more votes for Thailand in the election, the UN Security Council's non-permanent committee.

PASASON CRITICIZES THAI UN ENVOY'S STATEMENT

BK121206 Vientiane KPL in English 0903 GMT 12 Oct 84

[Text] Vientiane, October 12 (OANA-KPL) -- PASASON, organ of the LPRP CC, denounces today another disgraceful act of propaganda of a senior Thai official at the U.N. Security Council's meeting held on October 9 at the request of the Lao Government.

According to the Voice of America (VOA), the permanent representative of Thailand to the U.N. stated at the Security Council's meeting of October 10 that Thailand had already withdrawn its troops from the three Lao hamlets. This statement made by the Thai permanent representative is sufficient to show Thailand's disgraceful attitude at the international forum and its provocative scheme towards the Lao territorial integrity. In the past few days, the world public has noted with dissatisfaction that while Sitthi Sawetsila, Thailand's foreign minister, was speaking of troops withdrawal at the U.N. General Assembly, the Thai Commander-in-Chief Athit Kamlang-ek, who is monopolizing all sectors of domestic affairs at home, ordered the reinforcement of the Thai troops occupying the three Lao hamlets in Paklai District, Sayaboury Province.

Worse still, Thai troops have recently forced about 500 local Lao inhabitants in the occupied area to take refuge on Thai soil. In order to cover up its oppressive actions against the Lao inhabitants, Thailand has declared that the "exodus" Lao inhabitants for resettlement on Thai soil was due to the "Lao bombardment."

The paper continues to say: By taking into consideration the senior Thai officials either at home or abroad, one can see clearly Thailand's insincerity for a peaceful settlement of the Lao-Thai border problem.

However hard Thailand tries to propagate its so-called "readiness" to solve the Lao-Thai border situation, it will not produce any effects, since the world public has already come to realize the deceptiveness of Thai words.

The statements made by Thailand about troops withdrawal at the U.N. Security Council's meeting will only smear its prestige in the international arena, the lie given at the Security Council's meeting by the Thai permanent representative is the worst trick used by Thailand to conceal its hostility against Laos, and it is the worst and most disgraceful act committed by Thailand, the paper says in conclusion.

SALI VONGKHAMSAO RECEIVES MPR, HUNGARIAN ENVOYS

BK111625 Vientiane KPL in English 0853 GMT 11 Oct 84

[Text] Vientiane, October 11 (KPL) -- Sali Vongkhamsao, [vice chairman of] Council of Ministers, chairman of the State Planning Committee, received here yesterday Orsoogiyin Nyamaa, extraordinary and plenipotentiary ambassador of Mongolian People's Republic to Laos on the occasion of the latter's ending diplomatic mission in Laos.

In a cordial conversation, S. Vongkhamsao highlighted the ambassador's contribution to the strengthening of solidarity, friendship and cooperation between the two countries. He also wishes the Mongolian ambassador new and greater success in implementing the ambassador's new diplomatic mission.

On the same day, S. Vongkhamsao, also received here Dr. Rosta Laszlo, ~~new~~ ambassador of Hungarian People's Republic to Laos. Dr. R. Laszlo has previously presented his credentials to the Lao President Souphanouvong.

SISAVAT KEOBOUNPHAN ADDRESSES FARMING CONFERENCE

BK121214 Vientiane KPL in English 0919 GMT 12 Oct 84

[Text] Vientiane, October 12 (KPL) -- A four-day conference on agricultural work was closed here on October 10 over 170 representatives from seven districts of Vientiane Prefecture participated in the conference.

In this closing speech, General Sisavat Keobounphan, Secretariat member of the party CC [and] of the party committee of Vientiane Prefecture, spoke of the need for the entire party and people in Vientiane prefecture to actively contribute to achieving self-sufficiency in the supply of consumer goods.

The participants also heard reports on the dark maneuvers carried out by the Thai ruling circle backed by the Beijing administration to the detriment of the Lao people, especially the inhabitants of the three occupied hamlets of Kang, Mai and Savang in Paklai District, Sayaboury Province.

Khambou Sounisai, member of the party cc, mayor of Vientiane, was also present at the closing ceremony of the conference.

'ARTICLE' DETAILS OPERATION OF AGRICOOPERATIVES

BK091353 Vientiane Domestic Service in Lao 0030 GMT 7 Oct 84

[Unattributed "article": "An Agricultural Cooperative Is a Correct and Bright Path for Our Farmers"]

[Text] Since driving the imperialist aggressors out of our beloved country and then overthrowing the monarchy, our farmers have faced two major problems. The first one is to continue to earn a living through a private and scattered mode of production.

Another one is to switch from the small and scattered mode of production to agricultural cooperatives in which a new mode of production is to be organized and practiced step by step by using production techniques and technologies, gradually increasing production efficiency, adding production seasons, carrying out intensive cultivation, and so forth. The second path is very much different from the first one.

The differences are as follows: If our farmers were to continue to follow the private path of earning a living at random, they would only face difficulties and suffer more privation. As a result of the private and scattered mode of production, the gap between the rich and the poor in society would be widened. This means that those who owned more farmland and capital would become richer, buying other laborers as their servants. These people would then become labor exploiters. As for those who owned small pieces of farmland or those who had no property, they would have to sell their labor services for low prices. As a result, they would suffer more and become poorer. In the end, most of our farmers would reach bankruptcy. As for the second path, it would lead our farmers to march forward to a permanent eradication of all forms of capitalist exploitation. Our farmers would be provided with positive assistance by socialists. All our farmers would unite in combating natural disasters, vigorously stepping up production, and gradually building a strong, prosperous countryside.

For this reason, our LPRP has adopted the policy that notes that switching to agricultural cooperatives is the path conforming with the immediate and long-term aspirations of our farmers. On the other hand, to build socialist successfully in our country, it is necessary first and foremost, to carry out the transformation of production relations. We cannot establish or develop the socialist industrial and trading system under the natural, scattered mode of agricultural production of our country, a mode that is carried out at random. This is because the private, scattered mode of production is the source of all forms of exploitation.

On 20 May 1974, the Political Bureau of our party Central Committee adopted the resolution No 05 clearly setting forth the direction and contents of the mobilization campaigns to switch to agricultural cooperatives. Later, the party Central Committee, in its third congress, also adopted another resolution that clearly puts forth the line on setting up agricultural cooperatives. In addition, in the third, fourth, and fifth resolutions, the party Central Committee further set the guidelines for actual activities in setting up agricultural cooperatives. This was why in carrying out the switch to agricultural cooperatives, we were able, despite an inconsistency in development to score glorious achievements in an initial stage. Particularly, a new, advanced stage has been achieved in 1984 in the movements to set up agricultural cooperatives. As of late 1983, a total of 2,113 agricultural cooperatives had been set up throughout the country. This has covered 19 percent of the total number of families, 20 percent of the farmland, and 5 percent of the slash-and-burn areas throughout the country. As of June 1984, the number of agricultural cooperatives has increased to 2,402 covering 37.6 percent of the total number of families, 35.3 percent of the total farmlands, and 4 percent of the total slash-and-burn areas throughout the country. In many provinces including Houa Phan, Xieng Khouang, Luang Prabang, Oudomasai, and Champassak, nearly 50 percent of the farmers from all families in the provinces have volunteered to switch to agricultural cooperatives. In Champassak Province alone, as many as 597 agricultural cooperatives have been set up, covering 60 percent of total families of farmers in the province.

In the areas where the movement to switch to agricultural cooperatives has expanded, it is observed that satisfactory achievement have been scored in agricultural production.

In this initial stage, the collective way of earning a living has reflected the superior characteristic of the overall strength in supplanting nature, expanding cultivated areas, building reservoirs and setting up irrigation systems, making use of techniques and technologies in production, and carrying out production in two seasons. As a result of the collective way of earning a living in the form of agricultural cooperatives, many agricultural cooperative units have notably increased production efficiency. Some agricultural cooperatives can even harvest up to three to four metric tons of rice per hectare. In Xieng Khouang Province, one cooperative member carries out production work on an average of 1,200 square meters of slash-and-burn. The cooperative members in this province also have to overcome the serious aftermath of the destructive war while mobilizing and persuading the farmers to join the agricultural cooperatives. Despite this, the amount of agricultural production in this province increased by 6,200 metric tons in 1983 compared with that scored in 1981 while the amount of rice paid as agricultural tax or sold to the state increased to 7,000 metric tons.

In Champassak Province in 1983, despite unfavorable weather, including a drought, thanks to the collective life pursued by farmers in setting up agricultural cooperatives, the average rice harvest was about 1,950 kilograms per hectare. Compared to 1981 production, 230 additional kilograms of rice could be harvested from one hectare. Thanks to agricultural development programs in this province, farmers were able to raise their foodstuffs production from 135,000 tons in 1981 to 150,000 tons in 1983. In addition to rice planting, livestock raising in this province was also vigorously developed. The planting of coffee and tea was developed to a certain extent in the province, where a campaign to set up agricultural cooperatives has been vigorously promoted. Such a development clearly reflects efficient leadership in mobilizing and encouraging farmers to participate in the collective livelihood.

It is worth noting that having been through a period of consolidation and reorganization, a number of agricultural cooperatives have become successful not only in gradually raising their production standard, but also in regulating and systematizing their economic management. That is why the sixth resolution adopted at the third plenum of the party Central Committee reaffirms that the work of setting up agricultural cooperatives and broadening trade networks in certain localities and regions has been gradually deepened with better quality, thus contributing to boosting production, strengthening unity, and improving the living conditions of the people of all tribes.

Nevertheless, compared to the current requirements, the work of consolidating and developing agricultural cooperatives has been retarded in certain aspects. The current number of outstanding agricultural cooperatives comprises only 15 percent of the total throughout the country. Agricultural cooperatives still have not played a role in attracting intermediate-level farmers to participate in a collective livelihood. At present, only landless farmers or farmers who possess small pieces of land have joined in agricultural cooperative work. The root-cause of this trend is a lack of efficient agricultural cooperative cadres who are also experienced in leadership roles and because an effective management procedure has not yet been applied. A number of agricultural cooperatives have failed to acquire sufficient land for cultivation and have not yet been able to organize profoundly production from an easier step to a more difficult one. The leadership organizations in certain localities appear to be hasty and want to make progress too quickly, but fail to pay attention to building material foundations for firm development of the agricultural cooperative movement.

In accordance with the spirit of the resolutions adopted by the party Central Committee, in the years to come we must concentrate efforts on developing agricultural and forestry production and must fulfill the task of transforming and building socialist production relations by drawing lessons from actual experiences.

To allow the movement to set up agricultural cooperatives to develop vigorously and firmly, all localities and services must cooperate and coordinate with one another to solve the following fundamental problems:

1. In localities where exploitation still exists and where conflicts on land for crop cultivation -- including rice fields -- still prevail among the majority of farming families, it is necessary resolutely to wipe out all forms of exploitation and to redistribute land in an appropriate manner on the basis of the party's principled policy before agricultural cooperatives are set up.
2. The size of agricultural cooperatives must be defined to suit the levels of management and the economic and social conditions in each locality. Actual experience has indicated that a large-size agricultural cooperative should not be set up in the initial stage. According to a guideline defined by the higher level, 15 to 30 or 50 families in each village should be organized into a single cooperative to cultivate rice on 30 to 50 hectares. This is the ideal size of a cooperative, suitable to the level of management at the present stage. Two or three cooperatives may be set up in a large village. In villages where no favorable conditions prevail for setting up agricultural cooperatives, unity units and labor exchange units should be formed instead so that villagers will become familiar with a way of collective life or with the relationship between farmers and the socialist state.
3. Each agricultural cooperative must efficiently implement the policy and economic management system, that is, to pay rent on farm land, to pay compensation for draft labor, to make distributions in accordance with the level of labor, and gradually to raise the standard of management and economic priorities.
4. The center and the localities must cooperate in working and training the ranks of agricultural cooperative cadres. At the same time, necessary services must be rapidly set up to gain enough strength to safeguard agricultural cooperatives in developing production and to transform management mechanisms step by step.

With fundamental lessons drawn from experience plus the various resolutions adopted by the party, which have become our guidelines, it is firmly believed that the movement to set up agricultural cooperatives in our country will score a stronger and firmer change. In the past, thanks to the correct political line, the movement to set up agricultural cooperatives has built up enormous strength encouraging agricultural and forestry production to develop incessantly. This development will eventually become a firm foundation for the task of industrial development in our country.

SITTHI RETURNS, RULES OUT ASEAN-INDOCHINA TALKS

BK130226 Bangkok THE NATION REVIEW in English 13 Oct 84 p 5

[Text] Foreign Minister Sitthi Sawetsila yesterday ruled out direct talks between ASEAN countries and Indochinese states to resolve the five-year-old Kampuchean conflict.

Sitthi told reporters on his arrival here that the Vietnamese Foreign Minister Nguyen Co Thach would say different things to different leaders "causing confusion." The foreign minister said that there was nothing new in Nguyen Co Thach's overtures recently. "He still wants to support the Heng Samrin regime, and he also dreamed up the International Control Commission [ICC] concept," Sitthi said. The ICC idea was proposed by Nguyen Co Thach recently to oversee the withdrawal of Vietnamese troops in Kampuchea.

Nguyen Co Thach said on Thursday at the UN that the Vietnamese troops would be able to withdraw from Kampuchea within five to 10 years when the Heng Samrin regime would stand up by itself. Sitthi said, however, that it was possible that Nguyen Co Thach would meet with the ASEAN "interlocutor" Indonesian Foreign Minister Mokhtar Kusumaatmaja to "exchange ideas."

The foreign minister left Bangkok last month for a month-long tour of Latin America, the UN and Japan. He said that his trip to the Latin American countries of Brazil, Venezuela, Uruguay and Jamaica was a fruitful trip because it helped the Latin American leaders see the reality of the situation in this part of the world, the Kampuchean conflict in particular.

At the current UN session, Sitthi said that Laos' campaign to smear Thailand's chance of being elected to the UN Security Council had ended in total failure. "We have done well at the UN. While the Laotian delegates were running all around the hallway, we were peaceful and rational, which won the admiration from UN members," he said and added that the Thai troops have been removed from the three disputed villages. On the Thai candidacy for a seat on the Security Council, the foreign minister said Thailand was "highly confident" that it would win its first attempt to broaden its global role in the maintenance of international peace and security.

Sitthi said that during his visit to Japan, he had frank discussions with Japanese officials, including Prime Minister Yasuhiro Nakasone and Foreign Minister Shintaro Abe. Nakasone had instructed the authorities concerned to solve the trade imbalance between Thailand and Japan, he said. Sitthi told the Japanese leader that the trade imbalance was a mutual problem which both countries must try to solve to maintain the good relationship between Thailand and Japan.

He will today welcome at Don Muang Airport the Vice President of Brazil's Parliament Romanto Junior [name as published] who will spend a five-day visit as a guest of the Foreign Ministry.

FOREIGN MINISTRY SPOKESMAN ON ASEAN RESOLUTION

BK131144 Bangkok Voice of Free Asia in Thai 1000 GMT 12 Oct 84

[Text] Another interesting issue on which Foreign Ministry spokesman Sawanit Khongsiri briefed newsmen is 34 countries' pledging support for ASEAN's draft resolution on the situation in Kampuchea. It is anticipated this year that ASEAN will receive support from 52 countries in comparison to 51 for the resolution last year. The spokesman revealed the major content of the draft resolution that ASEAN had submitted to the UN General Assembly as follows:

[Begin Sawanit recording] The draft resolution says the situation in Kampuchean remains critical because of the occupation of the country by foreign forces, threatening peace and stability in the region and causing a massive influx of Kampuchean refugees to the Thai-Kampuchea border. It is believed that the problem will not be resolved without a political settlement. It is necessary that the world community find a resolution to the Kampuchean problem through political means leading to the total withdrawal of foreign troops from Kampuchea and respect for the Kampuchean people's right to self-determination free from external interference.

The draft resolution also mentions the concern for the resettlement of foreigners in Kampuchea, which has been arranged by the foreign troops now occupying that country.

The draft resolution expressed gratitude to the world community for both food and humanitarian assistance given to the Kampuchean refugees and appeals for the continuation of such assistance. [end recording]

The 34 [figure as heard] countries that have co-sponsored the draft resolution are Bangladesh, Belgium, Canada, Chad, Comoros, Dominica, the Dominican Republic, Fiji, Gambia, Haiti, Honduras, Iceland, Italy, Japan, Mauritius, Nepal, the Netherlands, New Zealand, Oman, Pakistan, Paraguay, St. Lucia, St. Vincent and the Grenadines, Samoa, Somalia, Turkey, Uruguay, and the six ASEAN members namely Brunei, Malaysia, the Philippines, Singapore, Indonesia, and Thailand.

#### VOFA REPORTS DEBATE WITH LAO OFFICIAL AT UN

BK131214 Bangkok Voice of Free Asia in English 1030 GMT 12 Oct 84

["Special program"]

[Text] The Lao deputy foreign minister's statement can be divided into two parts. The first part dealt with technical matters involving questions such as boundary demarcation, which should more appropriately be raised in bilateral discussions between the two countries. In the second part, the Laotian representative has exceeded his quote for poison and polemics. The charges he made were a figment of his own imagination and paranoia. On the question of the removal of Thai troops, the Lao representative appears to want to have his cake and eat it too. He first said the troops had not been removed, and then he said that even if they were, the civil and administrative personnel would remain. This is not a logical argument. Given the circumstances in the area, no Thai personnel are under constant threats of Lao harassment and attack. It would be logical that the more vulnerable personnel, such as the civil and administrative would be removed along with the military presence.

Thailand takes a different approach from Laos in dealing with the dispute. Our position has been that if there is doubt about the facts of the situation, the two sides should go and have a look together in order to establish where the watershed line is actually located.

On the Laotian charge that redispersion of our troops was the admission of an act of aggression and occupation of Laotian territory, if that were the case and the act of voluntary removal of troops from a certain area automatically implied that the area in question belonged to the other party, then the converse would also have to be true, namely, that whether the party that refuses to remove its military presence and remains in occupation of territory would have title to that territory, such as in the case of South Africa in Namibia. Would such a position be just or tenable?

On linkage made by Laos between the border incidents and the coinciding visit of Thai senior officials to certain foreign countries, Thai permanent representative stressed that the visit had been planned well in advance and noted that the Thai Army commander in chief has now also been invited to the Soviet Union. Such suspicions and reasonings by the Laotian side were perhaps why previous negotiations had not brought fruitful results.

Thailand is interested in constructive negotiations but will not allow them to become propaganda forums to which third parties would be brought in. The present dispute relates to a minor border incident which could occur anywhere in the world and should not be an obstacle to relations between two brotherly peoples sharing the same language and culture.

The Security Council session ended the same evening without a resolution and with no statement issued either by the Council or its president. In accordance with customary practice, the item will technically remain before the Council but it is understood there will be no more session on this matter unless and until another specific request is made for such a session.

#### EXCHANGES OF FIRE REPORTED AT BORDER VILLAGES

BK140932 Bangkok Voice of Free Asia in Lao 1230 GMT 13 Oct 84

[Text] A report from Uttaradit Province said that following a recent Thai military adjustment in the three villages on the Thai-Lao border, at 1000 on 9 October, an unidentified number of Lao soldiers fired several 122-mm rockets against the Thai military position at Ban Mai village for about 30 minutes. The Thai side returned fire. No casualties were reported on either side. As a result, the villagers in the three villages had to evacuate to Ban Bo Bia village. At 1000 on 10 October, an unidentified number of Lao soldiers once again fired a number of 122-mm rockets at the Thai military position at Ban Mai village for 30 minutes. The Thai side returned fire. Four Thai soldiers were wounded in the exchange of fire.

#### TROOP WITHDRAWAL FROM BORDER AREA OPPOSED

BK130948 Bangkok SIAM RAT in Thai 8 Oct 84 p 5

[Thahankao's column]

[Excerpts] Since this is the beginning of the week, I will write today about many issues on which I think my readers should be informed.

Regarding the dispute between Thailand and Laos over the sovereignty over the three villages in Uttaradit Province, both the Foreign Affairs and Interior Ministries are still working hard on the issue. Thailand and Laos are now claiming ownership of the three villages.

As the dispute continues, both sides have sent troops into the area resulting in sporadic exchanges of gunfire and the further aggravation of the conflict.

It was reported that the Thai side is considering withdrawing its troops from the area to prevent the situation from worsening and to maintain peaceful relations between the two countries.

I confirm my opinion that the rivalry for sovereignty over the three villages should continue through political and diplomatic channels on the basis of reality and friendship.

The Thai troops must not be withdrawn from the area and they should be allowed to confront Lao or any foreign troops. If they fire on us, we must fire back as the effort to seek historic and geographic evidence to settle the border dispute is underway. Let the diplomats, politicians, and military personnel do their jobs.

If we pull our troops out of the area, it is a tantamount to giving the three villages to Laos. If that is the case, why have we held negotiations with Laos, wasting our time and money.

As the dispute remains unresolved, Thai soldiers must defend and safeguard the country's sovereignty and property. We must fight back if they fire into our territory or invade our country. It does not matter how much time the negotiations take.

PREM'S CONDITION IMPROVES, RETURNS HOME

Prem Makes Statement

BK121238 Bangkok Domestic Service in Thai 1200 GMT 12 Oct 84

[Text] Prime Minister General Prem Tinsulanon has recovered from his illness and returned to his Sisao residence at 1320 today. A Public Relations Department reporter has this update:

[Begin recording] [Unidentified correspondent] At 1320 this afternoon Prime Minister General Prem came down from the 7th floor of Wachiralongkon Building of Phra Mongkutkla Hospital in order to return to his Sisao residence to recuperate. Many people were at the hospital to see the prime minister off. On this occasion the prime minister said:

[Prem] I wish to thank all fraternal people for their concern for me. The medical committee has treated me to the point that I can now return home to rest. The advisory committee sent by the Health Ministry has helped as well. I owe my quick recovery to the ability and attention of the medical committee, the nursing staff, and everyone concerned in this hospital and the Health Ministry. I want to thank them on this occasion. I wish to emphasize that I also owe my quick recovery to the encouragement of the fraternal people as well as you people. I know that you are concerned about me; I am concerned about you too. [applause] [end recording]

Medical Committee Statement

BK121242 Bangkok Domestic Service in Thai 1200 GMT 12 Oct 84

Statement 12 October by the medical committee on Prime Minister General Prem Tinsulanon's health -- read by announcer]

[Text] From 6-11 October, his excellency the prime minister continued to feel better. He was able to rest and eat normally. The medical committee stopped giving him oxygen on the morning of 8 October and stopped administering medicine intravenously that evening. The prime minister was able to walk around his room beginning on the morning of 9 October. His physical and laboratory examinations and lung X-ray on 11 October showed satisfactory results. In sum, the prime minister's general condition is much improved and the medical committee deems it acceptable for him to return home to recuperate under close observation of doctors.

## Committee Allows Consultations

BK121348 Bangkok Domestic Service in Thai 1300 GMT 12 Oct 84

[Text] The government spokesman said this afternoon that, during a meeting with the medical committee today, he was told that the prime minister's condition is very good and is satisfactory to the committee. The committee is glad that the prime minister has recovered quickly, and has arranged two doctors and two nurses to look after the prime minister around the clock at home. The committee allows the prime minister to exercise by walking, but not jogging. It also handles medication for the prime minister to be taken at home. Telephone numbers of various specialists have also been provided in case specialists are required.

The spokesman said he was impressed with and proud of the medical committee's thorough work. On visitors for the prime minister, the medical committee actually does not want the prime minister to receive any visitors but wants him to rest as much as possible. However, it will be necessary for senior officials to meet him occasionally, and the prime minister is limited to no more than 1 hour a day for such visits. The committee feels that the prime minister can carry out his duties at home, not outside. If the prime minister has to consult his Cabinet on administrative matters, he will be allowed to do so.

## Officials Welcome Prem Home

BK130158 Bangkok THE NATION REVIEW in English 13 Oct 84 pp 1, 2

[Excerpts] Prime Minister Gen Prem Tinsulanon yesterday left Phra Mongkutkla Hospital where he was hospitalized for two weeks but will have to stay under close medical care at his Sisao residence for another period.

Members of the Cabinet and several government and military officials were at hand at his newly renovated Sisao residence to welcome him. They included Interior Minister Gen Sitthi Chirarot, Deputy Army Chief-of-Staff Lt Gen Chawalit Yongchaiyut, Commander of the First Army Division Maj Gen Isaraphong Nunphakdi, Commander of the Artillery Centre Maj Gen Phuchong Ninkham and Commander of the Crime Suppression Division Pol Maj Gen Bunchu Wangkanon. Gen Prem chatted briefly with them and expressed his appreciation for their concerns.

## Sitthi Meets With Prem

BK151145 Bangkok MATUPHUM in Thai 15 Oct 84 p 1

[Text] On the morning of 14 October, Prime Minister Gen Prem Tinsulanon took only a mild exercise due to humidity in the air after a light shower. Foreign Minister Air Chief Marshal Sitthi Sawetsila brought a bouquet to visit the prime minister and talked with him for 30 minutes.

Meanwhile, Lieutenant General Chantharakhup Sirisut, secretary general of the prime minister, said he did not go to see the premier because it was an official day off. However, he visited the prime minister on Friday but did not bring up for discussion any subject regarding the work of the government. Gen Prem will continue to rest at his residence for a while.

NHAN DAN VIEWS FOREIGN MINISTER'S UN SPEECH

OW121535 Hanoi VNA in English 1513 GMT 12 Oct 84

[Text] Hanoi VNA Oct. 12 -- "Conditions are ripe for settling differences through dialogue between the two groups of countries in Southeast Asia, says NHAN DAN in a commentary today, stressing that "we are always prepared for such a dialogue!"

In a long commentary on Foreign Minister Nguyen Co Thach's address at the 39th UN General Assembly meeting on Oct. 9, the paper says that the address reflected the just cause and correct stance of Vietnam regarding the important and burning questions in the world situation as well as regional issues, especially the situation in Southeast Asia.

On the question of the struggle to defend world peace against the danger of a nuclear war, the paper ridicules the lies spread by imperialism and other reactionary forces about the "Soviet danger" and the ambiguous contention that the danger arises from the rivalry between the "two super powers" and "both sides are to blame". This is aimed at confusing right and wrong and misleading the people in many countries, the paper notes. The Vietnamese people reaffirm that the fight against the danger of a nuclear war is actually the fight against the reactionary policy of the Washington militarist ruling circles, the paper adds.

The paper notes that the regional disputes and "hot points" in various parts of our planet also stem from the policies of the United States and other international reactionary forces who are accelerating their war preparations while continuing to commit acts of intervention and aggression against the people of many countries.

Turning to the situation in Asia and the Pacific, the paper notes that at the current session of the UN General Assembly, the imperialist forces, the Beijing reactionaries and their supporters have joined in a chorus about the so-called "Kampuchean issue" which they made first item of the agenda. The heart of the matter, however, is the struggle of the peoples of the three Indochinese countries in defence of their independence and sovereignty against the Beijing expansionist and hegemonists in collusion with the U.S. imperialists and other reactionary forces. That is the pivotal question to be solved if the "Kampuchean issue" is to be resolved, the paper says. To support the aggressors and put the blame on the victim of aggression is an unacceptable attitude. Those countries who side with the expansionists in recognizing the Pol Pot criminals have behaved most irrationally. We make it clear once again that all attempts to impose a unilateral solution on Kampuchea will fail as they have failed in the past.

The revival of the Kampuchean people is continuing. The hope to bring back the genocidal Polpotists is only a daydream. In the light of the continued improvement of the situation in Kampuchea the Vietnamese Army volunteers have begun their annual withdrawals since 1982.

NHAN DAN goes on: "In the interests of peace, we demand that the Thai authorities end their hostile policy toward the three Indochinese countries, stop their intervention in Kampuchea and return the three Lao hamlets they are illegally occupying.

"We want to restore our traditional friendship with the Chinese people and normalize the Sino-Vietnamese relations in the interests of the two peoples and peace and stability in Asia and the rest of the world.

"We have always considered the American people our friends and are ready to solve together with the United States all pending questions if the U.S. is sincere in its desire to contribute to peace and stability in Southeast Asia," NHAN DAN adds.

LAO ENVOY ON THAI OCCUPATION OF HAMLETS

OW131848 Hanoi VNA in English 1520 GMT 13 Oct 84

[Text] Hanoi VNA Oct. 13 -- A talk on the illegal occupation of three Lao hamlets by Thai troops was held recently at the Mai Dong engineering plant, Hanoi, by the plant's chapter of Vietnam-Laos Friendship Association. It was attended by representatives of the association's Central Committee, the Hanoi branch of the association, the directorate board and workers of the Mai Dong plant. Lao Ambassador to Vietnam Khampheun Tounalom and other members of the Lao Embassy were also present.

Speaking on the occasion, the Lao ambassador exposed the Thai authorities' long-term scheme of illegally occupying the three Lao hamlets of Ban Mai, Ban Kang and Ban Savang in Paklai District, Sayaboury Province. He reaffirmed Laos's unwavering stance of demanding that Thai troops withdraw from these hamlets.

Wbang Luu, the plant's director, voiced absolute support for the just stance and the good will of the fraternal Lao Government and people. A similar talk was also held at the General Department of Geology, Hanoi, on Friday, with the attendance of the Lao ambassador, by the General Department's chapter of the Vietnam-Laos Friendship Association.

TASS CITED ON THAI-LAO VILLAGES DISPUTE

BK121529 Hanoi International Service in English 1000 GMT 12 Oct 84

[Text] The Soviet news agency TASS said that Thailand's occupation of the three Lao hamlets is a violation of Lao independence, sovereignty, and territorial integrity. In a commentary on Wednesday, 10 October, TASS said: To realize the imperialist and expansionist scheme, Thailand is trying to aggravate the tension in this region and prevent the development of the nations who have chosen the path of socialism. TASS affirmed that this short-sighted policy is not for the interest of Thailand itself but for the interest of outside forces, first of all Washington.

CHU HUY MAN RECEIVES LAO MILITARY DELEGATION

OW122044 Hanoi VNA in English 1549 GMT 12 Oct 84

[Text] Hanoi VNA Oct. 12 -- A delegation of the General Political Department of the Lao People's Army paid a working visit to Vietnam from September 29 to October 9 at the invitation of the General Political Department of the Vietnam People's Army. It was led by Major General Sithon Manola, member of the Lao People's Revolutionary Party Central Committee and vice-director of the General Political Department of the LPA.

During its stay, the delegation was cordially received by General Chu Huy Man, Political Bureau member of the Communist Party of Vietnam C.C. and director of the General Political Department of V.P.A., and Lieutenant-General Dang Vu Hiep, member of the party C.C. and vice-director of the department.

VO VAN KIET, DELEGATION HOLD TALKS IN ALGERIA

OW122025 Hanoi VNA in English 1543 GMT 12 Oct 84

[Text] Hanoi VNA Oct. 12 -- Talks were held in Algiers on Tuesday between a Vietnamese party and state delegation and an Algerian party and state delegation.

The participants were Vo Van Kiet, Political Bureau member of the Communist Party of Vietnam Central Committee, vice chairman of the Council of Ministers and chairman of the State Planning Commission; and Merbah Kasdi, alternate member of the Political Bureau of the Algerian National Liberation Front Party (A.N.L.F.P.) Central Committee and minister of agriculture and agrarian affairs; and Ali Oubouzar, Algerian minister of Planning and Organization of National Territory.

The two sides had working sessions on the situation of their respective countries, and reached identity of views on the promotion of cooperation in planning and agricultural production between Vietnam and Algeria. The same day, Vo Van Kiet met with A. Khellef and D. Eddine Houhou, respectively ministers of commerce and public health. Vo Van Kiet and his party attended receptions offered on Tuesday evening by Minister of Planning Ali Oubouzar, and on Wednesday morning by Minister of Agriculture Merbah Kasdi.

POLISH MILITARY ATTACHE HOLDS ARMY DAY RECEPTION

OW122046 Hanoi VNA in English 1553 GMT 12 Oct 84

[Text] Hanoi VNA Oct 12 -- Colonel Leon Pestuszyn, naval and Air Force attache to the Polish Embassy in Hanoi, gave a reception here this afternoon in honour of the 41st anniversary of the founding of the Polish People's Army. Charge d'Affairs a.i. Stanislaw Waclawski and staff members of the Polish Embassy were present.

The guests included Lieutenant General Tran Van Quang, vice minister of national defence; representatives of the Foreign Ministry and the Vietnam-Poland Friendship Association, and many generals and senior officers of the Vietnam People's Army. Many members of the diplomatic corps and military attaches of many countries in Hanoi attended the party.

Speaking on the occasion, Lt. Gen. Tran Van Quang and Colonel Pestuszyn praised the growth and heroic tradition of the Polish People's Army over the past 41 years under the leadership of the Polish United Worker's Party.

A meeting marking this anniversary was held at the infantry officers' school No 1.

VAN TIEN DUNG GREETS POLISH MINISTER ON ARMY DAY

OW121245 Hanoi VNA in English 0849 GMT 12 Oct 84

[Text] Hanoi VNA Oct. 11 -- Defence Minister General Van Tien Dung has sent a congratulatory message to his Polish counterpart, General Florian Siwicki, on Poland's 41st Army Day (Oct. 12).

The message says: "The Vietnam People's Army rejoices at the achievements recorded by the Polish people and army, and notes with satisfaction that the friendship, militant solidarity and fraternal co-operation between our two peoples and our two armies have constantly consolidated and developed. The successful official visit to Poland by a high-level military delegation of the Socialist Republic of Vietnam last May is a vivid demonstration of the relations between the two countries." "We firmly believe that the friendship, militant solidarity and fraternal co-operation between our two peoples and armies will further consolidate and develop."

The message expresses heartfelt thanks to the party, government, people and Army of Poland for their strong support and valuable assistance to Vietnam in its struggle for national liberation in the past and in its national construction and defense at present.

REPORT ON CONCLUSION OF BUILDING CONFERENCE

BK071238 Hanoi Domestic Service in Vietnamese 1430 GMT 6 Oct 84

[Text] This afternoon, 6 October, at the Ba Dinh Conference Hall in Hanoi, the conference to review district building work concluded after achieving fine success. The conference was happy to welcome Comrade General Secretary Le Duan, who attended and addressed the closing session.

During the 4-day conference, most of the delegates in charge of districts, provinces, cities, and central-level sectors expressed their unanimity of views with the assessment of the initial results obtained in the building of the district level. They vividly described their experiences and agreed with the orientation of work for the period ahead which call for efforts to carry out capital construction until the end of 1985. Under the 1986-90 5-Year Plan, the level of division of managerial responsibilities in favor of the districts will be raised further and district-level cadres' education will be raised to the college level.

Comrade To Huu, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and chairman of the Committee for District Building, reviewed the conference and affirmed: In our country, district building is a task of strategic significance in all fields.

Comrade To Huu launched an emulation movement for building comprehensively developed, firm, and strong districts.

Le Duan's Conference Speech

OW131031 Hanoi Domestic Service in Vietnamese 1100 GMT 11 Oct 84

["Summary" of address by CPV General Secretary Le Duan at the national conference to review the building of districts and the strengthening of the district level on 4 October 1984 -- place not given]

[Text] Comrades: Over the past days, I was very delighted to hear the reports from a number of districts. These reports have reflected the many-sided success in the task of building districts in various economic zones and have cited very good experiences from which all districts all over the country may learn.

I am particularly pleased to realize that many leading cadres at the district level have basically grasped and creatively implemented the party's line on agricultural transformation and development and on building the countryside along the socialist line. Of course, this is only the initial accomplishment and initial progress. Many things remain to do and many new issues to check as well as many difficulties to conquer and many shortcomings of correct. However, we have some facts to assert so that, in accordance with the orientation prescribed by the center, all districts in the country can gradually build themselves into agroindustrial economic units and steadfast, vigorous bases for large-scale socialist production in the countryside.

The outstanding success of Vietnam's revolution in the past more than 50 years, especially during the past more than 30 years of resistance when the people's democratic national revolution was completed, resided in the creative application of Marxist-Leninist principles to our country's situation, as a semi-feudal colony where the minority was the working class and the majority was the peasantry.

The most important basic lesson of all is that our party has steadily established the leadership of the working class while enhancing the role of masters of our workers and peasants to conduct the struggle against feudalist imperialism. With the spirit of mastery, our people, the greatest majority of whom are peasants, have received and expertly implemented the party's correct political and military lines and have effectively utilized the aid offered by fraternal countries. They have combined all these factors into a material force and an aggregate strength with which to defeat the U.S. aggressor, the imperialist ringleader whose extremely great military and economic potentialities have caused many to worry.

Vietnam's victorious strength is the strength of the entire people engaged in the fight against the enemy. It is also the strength of each village and each person as a master. The collective mastery of workers and peasants is the dominant characteristic of our country's revolution. Based on this fact, our party has asserted that the working people acting as collective masters under the party's leadership constitute the greatest motivating force in the building of a socialist society. Collective mastery is the nature of the new regime. It embodies not only the new production relations, but also the new production forces.

In the process of advancing from small production to large-scale socialist production, our point of departure is not the large mechanical industry but is mainly agriculture. Broadly speaking, we must include forestry and fishery. We must proceed from agriculture and exploit our economic potential in manpower and land, our first precious assets, which include forests and seas, and various existing small industries and handicrafts, in order to advance our country.

Facts have shown that the district is the most suitable terrain for developing the people's to collective mastery, simultaneously conducting the three revolutions, and organizing and achieving the new division of labor, with the aim of exploiting our potential in land according to a rational national plan and project.

As masters at the district level, we have conditions for attracting, under the state plan, the individualist economy as well as the family-run economy into the socialist orbit and for reorganizing agricultural production along the lines of specialized cultivation, intensive cultivation, and comprehensive development.

We have also the advantages for rapidly applying scientific and technical advances to production, especially those regarding water conservancy, fertilization, the reform of seed patterns, and the prevention and eradication of harmful insects and pests, in order to constantly increase the yield, quality, and efficiency of cultivation and animal husbandry.

The development of agriculture as well as of forestry and fishery requires and allows the development of new industrial sectors and trades to create a combination of agriculture with industry right from the outset. The core of the district-run economy in the advance toward large-scale socialist production is the agroindustrial structure. The faster industry develops in the countryside, the more vigorously agriculture will expand and the value of farms products increase.

During this initial step, industry in the districts consists mainly of handicrafts and small and medium industries. It serves agriculture and the processing of agricultural, forest, and marine products. This nature and scope does not obstruct the gradual modernization of implements and equipment to raise the level of industrial production.

Our country's agriculture is many-sided and rich. Each district must firmly grasp and link its own conditions and capabilities with the requirements and capabilities of the province and the center to actively build an outstanding agroindustrial structure in order to develop the district-run economy along the line of specialized production and generalized trade.

The district represents the center, the locality, and the grassroots level at the same time. Acting as masters at the district level, we can have conditions for associating all economic components -- the collective, the family, and the state-run economies -- and for combining the local forces of the district and cooperatives and other economic units in the district with the provincial and central forces seat from the upper level to create an aggregate strength with which to accelerate production development.

It is the responsibility of the central sectors to achieve coordination and unification between sectorial and territorial management, to actually develop the effects of the sectors in the rapid application of scientific and technical advances in production and trade, and to raise the technical and managerial levels of the economic installations at the district level.

The building of the district economic structure requires that the district level grasp production as well as distribution and circulation. Facts have proven that only by grasping distribution and circulation and by controlling first the market, goods, and money through the development of the socialist trade network with its state stores and marketing cooperatives and the credit cooperative network in the countryside, can the district level secure the necessary means and forces to renovate the economy and reorganize production along the socialist line. This will boost and stimulate production to develop within the orbit of the state plan.

Delays in the distribution of labor and management decentralization for the district level in general, especially in goods distribution and circulation, should be overcome at an early date to help eliminate the bureaucratic subsidy-based management system, and to create favorable conditions on the district level and in its economic installations to promote their dynamism and creativity in production and business as well as in organizing livelihood.

Building up a new culture and new-type men is an important part of district building in particular and of the building of socialist rural areas in general. In this domain, implementing the motto of joint state-people work and joint central-local level work, many districts have made important contributions to expanding the education and public health networks and developing popular cultural movements. However, we still must make greater endeavors. By the end of this century general middle school education must have been popularized among youth countrywide, as we consider it an investment for boosting production forces.

We must particularly concern ourselves with raising the quality of education and enhancing ideology and combativeness in cultural activities in order to contribute to building up new-type men with a correct labor attitude, who love humanity, who understand honor and what is right, and who relentlessly train themselves to be fully qualified and capable of asserting mastery over society, nature, and themselves.

The district must not only provide for the diet, lodging, and medical care of its people but also must contribute to national industrialization and the consolidation of national defense.

We started advancing from agriculture. But we must never forget our central task of socialist industrialization. A country with 60-70 million people like ours necessarily must have heavy industry and energy, iron, steel, machinery, chemicals, building materials, and a developed infrastructure system. We can create those material-technical bases only by boosting exports in order to expand our cooperation with the fraternal socialist countries and other countries in the world.

Each of our country's areas -- whether in the delta or midlands, in the littoral or the forest and mountainous region -- and each occupation -- whether agriculture, livestock breeding, industrial crop cultivation, handicrafts, or fine arts -- can produce export goods. Let each laborer in the rural areas strive to work at least 300 workdays annually, with 100 days devoted to production of export goods. That objective must materialize in plans for each province, district, cooperative, production collective, and any other economic unit within the district.

We have laid out plans to cultivate rubber in about 1 million hectares of the existing red soil. I propose that from now to 1990, apart from the cultivated area under the responsibility of the state and the central level, each province in the Red River Delta and the central coastal area, using district work forces as the basis, should undertake the cultivation of 30,000-50,000 hectares of rubber in eastern Nam Bo and the Central Highlands.

We must have strong determination, make strenuous endeavors, and devise appropriate methods in order to utilize nearly all the work forces and land areas to produce considerable wealth for society, large quantities of export goods, and rapidly increase the accumulated resources for national industrialization purposes. By doing so, we will not only accelerate the economic construction undertaking but also further strengthen our capability for national defense consolidation. Furthermore, we must build the districts into fortresses for national defense, with networks of interconnected combat villages and key positions, so as to ensure efficient deployment of war dispositions in a people's war, to be used for either defense or offense.

Building up the district is a task of strategic importance. This is not the task of the district level only. The provinces and sectors also have the responsibility to make positive contributions for satisfactory implementation of that task. The objective we strive to achieve is to build up the more than 400 districts into developed agro-industrial districts while building up the more than 400 large enterprises into strong, stable socialist enterprises to serve as the basis for advancing the national economy at a high rate of development and in a stabilized manner.

From this conference we have drawn valuable experiences. Following the examples set by the progressive districts, let all our districts countrywide take the initiative and continue their endeavors to strongly and steadily advance the district building task in order to contribute to overfulfilling the 1984 plan norms and to create the impetus for the successful implementation of the 1985 plan and for the entry into the 1986-90 5-Year Plan. I wish all the districts new progress and achievements.

#### REVIEW OF AGRICULTURAL ACTIVITIES AS OF 5 OCT

OW120016 Hanoi Domestic Service in Vietnamese 1100 GMT 10 Oct 84

[Text] According to the Statistics General Department, as of 5 October, the entire country had basically completed harvesting the summer-fall rice on 83.6 percent of the planted acreage. The southern provinces had harvested more than 630,000 hectares or 85.1 percent of the planted acreage. Thanks to positive efforts in intensive cultivation, many localities had achieved an average paddy yield of 38-40 quintals per hectare. Also as of 5 October, the northern provinces had harvested more than 21,000 hectares of early 10th-month rice, with an average paddy yield of 27-30 quintals per hectare in many areas.

From the end of September through early October, as a result of heavy rains in Nghe Tinh, Thanh Hoa, Ha Nam, Ninh, and Ha Tuyen Provinces, as many as 100,000 hectares of rice in the ear-forming stage were waterlogged. Thanks to the drainage efforts by the electricity, water conservancy, and agricultural services, water has now receded in many areas and only about 40,000 hectares have remained submerged.

Over the past week, many northern localities have actively fought rice pests. However, more than 27,000 hectares of 10th-month rice are still infested with harmful insects.

Along with quickly harvesting the summer-fall rice, the southern provinces are now continuing the late 10th-month rice planting. As reported by the Statistics general Department, as of 5 October, the southern provinces had planted nearly 1.75 million hectares of 10th-month rice or 93.7 percent of the planted acreage.

Quang Nam-Danang, Nghia Binh, Long An, and Ben Tre Provinces had exceeded the acreage plan norms. Apart from the submerged ricefields, about 100,000 hectares of 10th-month rice in the southern provinces are now infested with harmful insects.

Regarding the winter and winter-spring crops, as of 5 October, the northern localities had plowed nearly 6,000 hectares [words indistinct]. A number of localities are now planting winter subsidiary crops, such as corn, sweet potatoes, and soybeans, as well as vegetables and beans of various kinds on additional acreage.

Regarding livestock breeding, [words indistinct] a number of buffalo, oxen, and hogs in Dong Thap and Hau Giang Provinces had been slaughtered.

The Ministry of Agriculture urges the northern localities to speed up the harvesting of the early 10th-month rice in order to begin the winter rice cultivation. They should continue to prevent and eradicate harmful insects for the main 10th-month rice crop while paying attention to tending and feeding buffalo and oxen and [words indistinct] in order to prepare the soil for the cultivation of the winter and winter-spring crop.

The Ministry of Agriculture also urges the southern provinces to strive to transplant the entire acreage of 10th-month rice, prevent and eradicate harmful insects and [words indistinct] for the already transplanted rice crop while embarking on the winter-spring rice cultivation, with attention paid to achieving a balance between rice and subsidiary crops.

#### BRIEFS

CEMA OFFICIAL ON AID -- Speaking to newsmen in Moscow on 4 October, the CEMA deputy secretary pointed to the need to help Vietnam, Cuba, and Mongolia accelerate economic development and increase economic efficiency. This, he said, is aimed at ensuring a balance of economic growth among all CEMA member countries. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 7 Oct 84 BK]

HO CHI MINH CITY PRODUCTION -- Hanoi VNA Oct. 12 -- Gross output value of industry, small industries and handicrafts in Ho Chi Minh City in the past nine months has reached 3,785 million dong, i.e., 75.2 percent of the yearly program and 27.8 percent more than the same period last year. Production of state-run establishments and joint state-private ventures has increased by from 34.4 percent to 37.9 percent. In particular, the production of machines, electric meters, bicycles, export shrimps, medicinal tablets, ready-made clothes, and Knitwear has increased by 20 percent compared with the same period last year. In the past nine months, the supply of the main materials including steel, aluminum, tin, timber and fibre has increased by from 25 to 200 percent. [Text] [Hanoi VNA in English 0748 GMT 12 Oct 84 OW]

MOKHTAR AMAZED BY PNG'S NAMALIU'S UN STATEMENT

BK141056 Jakarta KOMPAS in Indonesian 4 Oct 84 pp 1, 12

[Excerpt] Foreign Minister Mokhtar Kusumaatmaja yesterday expressed his amazement at the PNG's raising the Indonesian-PNG border issue in an international forum. Commenting on a statement by PNG Minister of Foreign Affairs and Trade Rabbie L. Namaliu at the United Nations, Mokhtar expressed his amazement because the PNG deemed it necessary to raise again the issue that had long been settled.

"It is somewhat amazing us that the PNG foreign minister deemed it necessary to touch the issue in a general debate and raise again incidents that had in fact long been settled," Foreign Minister Mokhtar told KOMPAS correspondent Threes Nio at the United Nations.

In his speech at the UN General Assembly session on Monday night, Foreign Minister Namaliu detailed the Indonesian-PNG border dispute. He revealed, among other things, Indonesia's border violations and his government's dissatisfaction with the Indonesian Government's reply. He also raised his objection to the presence of Irian Jaya refugees in the PNG.

Foreign Minister Mokhtar was particularly amazed because Namaliu's statement came 1 day after the two foreign ministers had had lengthy discussions on the terms for the repatriation of Irian Jaya people who had crossed the border and are now in the PNG as refugees. "This includes our safety guarantee to the repatriants. We have reached a full agreement that has already been signed," Mokhtar added.

Following the signing of the agreement, the joint verification commission can start its work, while the repatriation of the refugees is expected to proceed in the near future. According to the foreign minister, it will not involve the United Nations High Commissioner for Refugees as requested by the PNG.

In addition to the agreement on the repatriation of the refugees, Indonesia and the PNG also renewed the basic agreement on the border. The basic agreement was signed in 1979 and is renewed every 5 years. Talks on renewing the agreement were held in Urabaya this year. The new agreement is scheduled to be signed in Port Moresby at the end of October.

"All this shows that all existing problems have been or are being settled through bilateral talks to the satisfaction of the two sides. Consequently, I am asking the PNG foreign minister directly about the real purpose of his statement and its implications for the terms of the repatriation of the refugees agreed upon by the two sides," Mokhtar said further. In this conjunction, Mokhtar has sent a letter to Minister Namaliu. In addition, the Indonesian delegation is scheduled to reply to the PNG statement. "This matter cannot be tolerated," the foreign minister asserted.

ALI WARDHANA HOLDS TRADE TALKS IN USSR

For Soviet media reports of the visit to the Soviet Union by Ali Wardhana, Indonesian coordinating minister for economics, finance, industry, and supervision of national development, and of Wardhana's talks with Soviet officials, see pages E 1 and E 2 of the Southeast Asia & Pacific section of the 12 October Soviet Union DAILY REPORT.

MALAYSIAASEAN OFFICIALS TO REVIEW KAMPUCHEA DEVELOPMENTS

BK131415 Kuala Lumpur Domestic Service in English 1130 GMT 13 Oct 84

[Text] Senior ASEAN officials will review the development in Kampuchea at a meeting in Kuala Lumpur later this month. The deputy secretary general of the Ministry of Foreign Affairs, Encik Mon Jamaluddin, said the statements made by Vietnamese Foreign Minister Nguyen Co Thach in Tokyo, at the United Nations, and during his meeting with several ASEAN foreign ministers will be taken into account. Speaking to newsmen in Kuala Lumpur, Encik Jamaluddin said that Japan would only consider mediating between Indochina and ASEAN if Vietnam agreed to withdraw its troops from Kampuchea.

MALAYSIA: MAHATHIR URGES U.S. BUSINESSMEN TO SHIFT ABROAD

BK121158 Kuala Lumpur International Service in English 0800 GMT 12 Oct 84

[Text] Prime Minister Datuk Sri Dr Mahathir Mohamed has told American businessmen to face reality that they need to shift manufacturing activities abroad whether for the domestic or foreign market. He said high interest rates and the very strong dollar were pricing American products out of the international market. Datuk Sri Dr Mahathir told leaders of corporations in Chicago that the argument that American goods are always superior no longer holds water. The prime minister said in his context Malaysia could help them overcome the comparative disadvantages.

Big American corporations would find in Malaysia the kind of environment and economic advantages that could contribute to their success. He said this in a luncheon address hosted by the First National Bank of Chicago yesterday. He said even by Southeast Asia standards; Malaysia's political, social, and economic performances had been outstanding. Malaysia believed it could provide the kind of environment to enable American corporations have the competitive edge. The prime minister said the success of the electronic component industry could be repeated in many other areas. Datuk Sri Dr Mahathir said 20 percent of American industries were related to foreign trade and most of these had lost the competitive edge, some to Japan, South Korea, Taiwan, and the Eastern European countries. These countries were no longer producing handicrafts and imitation goods, but had even moved into high technology and their products were tailor-made for the market and attractively priced.

MAHATHIR TELLS DISSATISFIED STUDENTS TO GO HOME

BK130737 Kuala Lumpur International Service in English 0600 GMT 13 Oct 84

[Text] The prime minister, Datuk Sri Dr Mahathir, says Malaysian students abroad who are dissatisfied with the government should return home to voice their criticism. He says they should not join the foreigners in criticizing Malaysia just to get a pat on the back.

The prime minister was speaking to 500 Malaysian students from universities in central United States at a dinner and dialogue session in Chicago in the United States. He says back home was the place for them to oppose what they feel is not right. He gave the assurance that they will not be prohibited from doing so back home. He regrets that there had occurred a split among Malaysian students overseas when the intention of the government was to send them to study to gain more knowledge than the present generation. Datuk Sri Dr Mahathir says the students are the future administrators of the country and leaders of the political and economic sectors. The prime minister adds that he is sad to see the split among Malaysian students overseas because they had promised that they would go abroad to study.

PRESIDENT MARCOS ANNOUNCES AGREEMENT WITH IMF

HK150652 Manila TIMES JOURNAL in English 14 Oct 84 p 2

[Text] Earlier today in Washington D.C., the Philippine Government and the IMF successfully concluded negotiations on the country's economic recovery program. The letter of intent about which all of us know, which was prepared under my direction, was sent to the IMF through Prime Minister Cesar Virata and Governor Jose Fernandez Jr. This letter of intent has been accepted by the IMF.

This long-awaited event, as all should know by now, is of momentous significance to our efforts for economic recovery and stability. For nearly a year now, during which the nation has had to face severe economic difficulties and challenges because of the scarcity of foreign exchange, we have been negotiating approval of this program at the same time we were doing our utmost to cope with the present problems of our country and our economy. Now with the approval of the program, our recovery and stabilization efforts can proceed in earnest, and we can all buckle down to the tasks at hand.

I want to take this opportunity today to acquaint our people with the propitious development, with the various elements of the recovery program, with the immediate steps that will be taken in line with it, and with their broad implications for the economy and the nation as a whole. To begin with, I want to emphasize at once that what we have forged here in certain agreement with the IMF is a workable program that brightens our hopes for speedy economic recovery and brings us closer to sustained growth in the years ahead.

Now as an immediate consequence of this agreement, we can now normalize our dealings with the international financial community. Immediately, too, the economic package binds us to the rigorous implementation of various measures for economic recovery which we made manifest in our letter of intent to the IMF. In line with this agreement, the IMF and the Governments of the United States, Japan, and Korea have agreed to grant us a bridging loan of 80 million dollars and thus support our program until the final amount of new money and trade financing comes in.

With IMF's acceptance of our program, we are also able to finalize our negotiations with the commercial banks all over the world for the rescheduling of our commercial indebtedness. This commitment to support of our recovery efforts will enable us to normalize our foreign trade transactions and bring to an end the various foreign exchange restrictions and all the attendant problems that we have undergone during the past year.

Our reciprocal commitment in this agreement is a vigorous, disciplined implementation of our program for economic recovery. As we have repeatedly stressed in recent months, this program must mean nothing less than our resolve to live as a nation within our means, to exercise financial discipline both in our public and private sectors, to bring to balance our exchange and payments position and to refocus priorities in our national development efforts toward self-sufficiency. To meet these objectives we have already undertaken various measures to reduce the budget deficit starting this year, to control liquidity and inflation, to rein in the financial requirements of government corporations, and channel resources into vital short-gestation productivity sectors.

Today, in line with the approval of our economic recovery program by the IMF, I want to focus on immediate measures that we will undertake to implement the recovery program. Now first, I want to announce the immediate lifting of all foreign exchange controls exercised by the Central Bank. The requirement for commercial banks to surrender their foreign exchange to the Central Bank is fully eliminated.

Importers may now go to their commercial bank to obtain the foreign exchange requirements. By the same token, requirement of Central Bank approval for importations is also hereby lifted. By this step we therefore free again, after a lapse of almost 1 year, foreign exchange for trade flows, and the multiple exchange rate system heretofore in effect is abolished, and the exchange rate is unified.

The immediate impact of floating the exchange rate will mean a slight change of the peso vis-a-vis the dollar. This should not, however, result in drastic changes in the price levels because importers have already been utilizing the parallel market as their source of dollars at this same cost. And neither do we foresee more than a slight adjustment of the peso because we have seen in recent months a perceptible stabilization of the exchange rate in the official and parallel markets. In the official market, it is somewhere at P18.45. In the parallel market, it is somewhere at P20.40. So, there is a difference of about a peso. It is not the huge difference which some of our critics were anticipating. Some have said that the peso would go up to 30 pesos per dollar. No, it has not done so. I repeat, the parallel market is at 20.40. The floating rate should be somewhere around there.

Now second, in line with our recovery program, a substantial improvement in our tax performance is now imperative. The thrust of the revenue package, however, is broadening broadening of the tax base and emphasis of greater efficiency in tax collection efforts. It does not focus on simply increasing tax rates which results in the honest taxpayer paying more and the dishonest one getting away with more. We have spared no effort in our painstaking search for measures that would entail the least sacrifice for the greater number. Substitute measures now in place distribute the tax burden more equitably, relying on the ability to pay and make enforcement more effective and even-handed.

Our major effort has been directed at plugging tax loopholes. Accordingly a major problem or a major part of the package on revenue consists of the removal of tax exemptions now enjoyed by government corporations and private enterprises except those registered at the Board of Investments. To be sure, many of the affected enterprises will present convincing arguments for the retention of their tax privileges, but at this time I ask them to equally shoulder the rest of the burdens of our countrymen and the burden of that task of economic recovery. Surely better times will give us the opportunity to refine our fiscal incentives later. We can then talk about all this all over again.

In the area of tax enforcement, the tax collecting agencies must be strengthened and revitalized. We will continue, as we must, to rid these agencies of undesirables and scoundrels, and we commit ourselves fully to support their legitimate needs. Hand in hand we will institute administrative changes to be able to enforce vigorously, effectively, and promptly the tax laws, especially business and sales taxes. Administratively, simultaneous audit of income and business taxes under the present package audit system shall be abandoned to enable prompt review of returns under simplified audit procedures. We intend to prosecute to the fullest extent of the law tax evaders and other culprits. These new measures underline the fact that economic recovery and planned growth of national income depend critically on our determination to improve our tax effort. As we implement these measures we shall continue to pursue our austerity program for government. We shall strive to further reduce expenditures at every turn.

Finally, I want to stress that this is a time for renewed vigor in our financial system, for total concentration of national economic priorities, and for greater exercise of national self-reliance. Looking towards the rest of the year and beyond, it's clear that we must continue the difficult period of adjustment, even as we now normalize our dealings with the international financial community. There is no question that our economic recovery program includes measures that entail sacrifices from everyone and from the nation as a whole.

These are sacrifices for the moment, for the immediate moment, but the rewards of all these burdens, if willingly borne and earnestly pursued, is the authentic long-term or short-term stabilization of the national economy, the recovery of our economic momentum and the renewal of growth.

Our economic recovery program, coupled with the support to be extended to us by the IMF, is the basis for confidence that this time of travail for our country will pass and that the time will now come when we will have both full economic recovery and growth. My countrymen, I ask you to remember well today that for an entire year prior to this agreement, in the face of many difficulties, in the face of obstacles facing the nation we have demonstrated our resiliency and stability as a nation. It is unthinkable that in the face of these new opportunities before us there should be some who shall shirk the burdens and be unequal to the tasks at hand.

This is a moment for national confidence and resolution. Together let us seize the moment and do all we can, contribute what we must, for the survival, for the growth, the stability, and prosperity of our land. I ask from you all these for our country, for our people, and for the Republic of the Philippines.

Thank you and good-day.

#### Further on IMF Approval

HK140134 Manila Far East Broadcasting Company in English 2300 GMT 13 Oct 84

[Text] President Marcos yesterday [13 October] -- Announced the approval by the International Monetary Fund of the Philippines' economic recovery program outlined in a letter of intent. In a nationwide radio-television message, the president said that with the IMF's acceptance of the program, the Philippines will now be able to finalize negotiations with 480 commercial banks abroad for the rescheduling of part of the country's \$25.6 billion foreign debt. The program was prepared under the president's direction and sent through Prime Minister Cesar Virata and Central Bank Governor Jose Fernandez.

The IMF's approval of the Philippine letter of intent (?presaged) the grant of a \$650 million standby credit which the Philippines has applied for with the international financing institution. Pending formal approval of the standby credit, the president disclosed the grant by the United States, Japan and South Korea of an \$80 million bridging loan. Of the mount, \$45 million will be provided by the United States Treasury to its exchange stabilization fund, \$30 million from the Bank of Japan, and \$5 million from the Bank of Korea.

In carrying out the recovery program, the president said a number of measures will be implemented immediately by the government. The approval by the IMF of our letter of intent means that the Philippines can borrow up to \$630 million from the IMF, that the country can negotiate with international banks to rollover the \$25.6 (?million) debt and get a new loan of \$1.65 billion. It means that the peso-dollar rate will change every day, depending on supply and demand. Importers can now buy dollars from commercial banks without prior Central Bank approval. Travellers can buy as much \$3,000 per trip. Tax collection will be strengthened and taxes of some items may be increased, such as oil products, liquor and beer.

Our relations with the international financial community are back to normal, but it doesn't mean that our troubles are over. We have to practice austerity, work harder and produce more.

Meanwhile Prime Minister Cesar Virata said last night that the negotiations with the advisory committee of 483 international bank creditors of the Philippines is in full swing and he hoped to complete the talks by next week.

In a telephone interview with the PHILIPPINE NEWS AGENCY, Prime Minister Virata, who is in New York, said the approval of the IMF of the Philippine letter of intent will result in positive economic growth for the country compared to the negative one this year. The same forecast was made by Trade and Industry Minister Roberto Ongpin, who said that the Philippine gross national product is expected to grow by 2.5 percent in 1985 and by about 4 percent in 1986.

The prime minister said that, with the implementation of the Philippine letter of intent with the IMF, the country is expected to reduce virtually its balance of payments deficit and improve its foreign exchange reserves as exports are projected to exceed imports. The prime minister said the Philippines is seeking fresh credits of about \$1.65 billion from commercial banks, apart from the opening of \$3 to \$4 billion in trade facilities.

In a related development, the Monetary Board, the policy-making body of the Central Bank, yesterday announced a package of monetary measures intended to complement the economic adjustment program of the country and its agreement with the IMF. Central Bank Senior Deputy Governor Gabriel Singson said the package of measures were approved by the board last Friday. The measures include the termination of (?surrendering) requirement under which banks are required to remit to the Central Bank 80 percent of their foreign exchange receipts, abolition of the forward exchange cover, abolition of priority systems of allocating foreign exchange for imports, and liberalization of imports.

#### MARCOS COMMENTS ON CREDITS, FOREIGN LOANS

HK150524 Manila Far East Broadcasting Company in English 2300 GMT 14 Oct 84

[Excerpt] President Marcos yesterday [14 October] expressed confidence that the country's foreign creditor banks will help the Philippines carry out its economic recovery program which was approved recently by the International Monetary Fund. He told newsmen in an interview at Malacanang that the creditor banks are meeting now and that he presumes they will issue a statement through the advisory committee of 12 banks headed by Manufacturers Hanover Trust that they are ready to help out. The president explained that with the IMF acceptance of the program which preceeds the grant of the \$630 million standby credit, the Philippines would now be able to finalize negotiations with 480 commercial banks abroad for the rescheduling of part of the country's \$25.6 billion foreign debt.

The chief executive said that the negotiations will allow the acquisition of \$1.65 billion in new money and the opening of from \$3 billion to \$4 billion in trade facilities. He said that with the lifting of foreign exchange controls, importers may now go to their banks for their foreign exchange requirements. This means that everybody can go in and out of banks now and buy whatever they need for raw materials, machinery and other vital imports.

#### CENTRAL BANK APPROVES NEW PESO MEASURES

HK150050 Manila BULLETIN TODAY in English 14 Oct 84 pp 1, 10

[By S. Senoren]

[Text] The Monetary Board of the Central Bank approved Friday a new set of economic measures that would mainly allow the peso to float more freely and lead to a relaxation of import controls. Central Bank Senior Deputy Gov. Gabriel Singson said the package would complement the country's economic adjustment program which has already been approved by the management of the International Monetary Fund (IMF).

The new measures, which will take effect tomorrow, are contained in CB Circular Nos. 1028, 1029, and 1030. Under these measures, the CB abolished the 80 percent mandatory surrender to the CB of foreign exchange earnings of commercial banks. With a 100 percent retention scheme starting tomorrow, Singson said banks will be able to fully trade foreign exchange under a floating rate system.

Since banks can now hold all their foreign exchange earnings, the CB will stop allocating dollars to service interest payments on foreign debt. Firms with foreign obligations may go to the banks to purchase foreign exchange to pay interest, import, and other eligible dues.

Singson also announced that the CB scrapped the import priority system which allocates foreign exchange for vital raw material imports on a priority basis. The import priority scheme started late last year when the country ran into foreign exchange troubles.

These measures, according to Singson, basically revert to the rules and regulations governing foreign exchange payments and trade transactions before the first moratorium on loan repayments which took effect in October last year. Under the relaxed import policy, merchandise imports will be generally allowed although certain commodities will still be regulated or restricted for reasons of public health, safety, international commitments or for the development and rationalization of local industry.

To simplify procedures, Singson said, banks are now allowed to issue release certificates to importers, except in the case of importations of banned items or those under no-dollar basis where release certificates will have to be secured by importers from the CB. With the relaxation of controls, import schemes under pre-paid letters-of-credit and export deduction have been abolished.

In the case of foreign exchange holdings of banks, the CB also reimposed a formula that determines the maximum amount of foreign exchange banks may hold. Under the formula, commercial banks may not hold foreign exchange amounts exceeding 10 percent of outstanding letters-of-credit, plus 10 percent of foreign exchange receipts of a two-month moving average of the immediately preceding 12-month period, and 100 percent of export bills purchased. Singson said any foreign exchange in excess of this formula should be sold by commercial banks at the foreign exchange trading floor.

With commercial banks holding all foreign exchange earnings, banks will now be in a position to gauge the value of the peso vis-a-vis the U.S. dollar depending on a supply-demand situation. Based on foreign exchange trading last Thursday, the peso has been valued at P18.45 to a dollar. When trading resumes on Tuesday, a significant movement in the peso rate may be expected.

#### BULLETIN TODAY ON PRESSURE TO HIKE INTEREST RATE

HK150105 Manila BULLETIN TODAY in English 13 Oct 84 p 21

[Text] Local commercial banks are trying to ward off attempts by the Central Bank [CB] to pressure them into raising the interest rate on savings deposits, banking sources said yesterday. The CB had been prodding banks to increase interest on savings as an incentive for savers to keep their money in banks.

Sources said the Bankers Association of the Philippines (BAP) has formed a committee to look for alternative measures that would yield similar results arising from an increase in interest rate on savings.

The CB is interested in locking up money in savings deposits to help keep the level of reserve money down. Reserve money is a measure of liquidity that indicates whether too much cash is in circulation or not.

Sources said, however, that an immediate alternative to a drastic increase in interest rate on savings would be another increase in the reserve requirement of commercial banks. The increase in reserve requirement, according to one banker, would be the most effective way of sucking money out of the financial mainstream. The reserve requirement now stands at 28 percent. Banking sources noted that other countries which have had to undergo debt restructuring under International Monetary Fund prescriptions had seen reserve requirements rise to as high as 46 percent.

Bankers are hopeful that the increase in reserve requirement would become an acceptable compromise to a sharp increase in interest rate on savings and the continued issuance of high-yielding Central Bank bills.

The BAP had earlier blamed the CB bills which offer yields as high as 38 percent as having disturbed the deposit base of banks. The CB later countered that if banks were lending at rates as high as 40 percent, they could surely afford to increase interest on savings and perhaps keep movement of savings to the minimum.

Although some banks now offer increases of from one to two percentage points on savings, the BAP has not taken any official stand on the interest rate issue. It was widely believed that BAP members would follow the move of the Philippine National Bank two weeks ago when it raised interest on savings to as high as 15 percent, depending on the amount of deposit.

#### CARDINAL SIN VIEWS AGRAVA COMMISSION REPORT

NC150811 Paris AFP in English 0745 GMT 15 Oct 84

[By Teodoro Benigno]

[Text] Manila, Oct 15 (AFP) -- Cardinal Sin, the Roman Catholic archbishop of Manila, urged today that the finding of a military conspiracy in the murder of Benigno Aquino be submitted to the Supreme Court. The conclusion was contained in a 475-page report compiled by the four-member legal panel that worked under a commission of inquiry headed by retired Judge Corazon Agrava. Contents of the document have been leaked to several news organizations.

In an interview with AGENCE FRANCE-PRESSE, Cardinal Sin said the lawyers' report on the opposition leader's death was "already a recommendation, a fact-finding report" and should therefore "be submitted to a civil court." He added that the Supreme Court may be the appropriate body to follow up and "not a military court because if the military is implicated, then I think it is illogical that it should be the one to solve the problem."

Meanwhile, reports surfaced that Mrs. Agrava is at odds with her four associates, who want to implicate the military top command in the August 21, 1983, assassination of Mr. Aquino at Manila airport. All four were reported to favor implicating the Armed Forces chief of staff, General Fabian Ver, under the principle of "command responsibility." Mrs. Agrava was said to be unwilling to go beyond Major General Luther Custodio. Gen. Custodio formerly headed the Aviation Security Command (Avsecom), which provided the 2,000-man security contingent for former Senator Aquino. Mr Aquino was slain seconds after returning home from three years of voluntary exile in the United States.

The government has said that Mr. Aquino, President Ferdinand Marcos' main political rival, was shot by Rolando Galman, whom it accused of being a communist.

From the outset, the opposition and members of Mr. Aquino's family blamed the government and the military for the death of the opposition leader.

During today's interview at the Manila archbishop's villa in suburban Mandaluyong, Cardinal Sin said the crucial question remained as to "who gave the order" to kill Mr. Aquino. Cardinal Sin also said he was contemplating a nationwide appeal "for calm and sobriety" because of widespread concern that "demonstrations and even civil disobedience" campaigns would result from the Agrava report.

No definite date for the report's release has been announced although there has been speculation it would be sometime this week. The cardinal said he agreed with several political experts and observers, including Americans, who had concluded that the 19-year-old Marcos government had lost popular credibility and was in its "twilight stage."

#### MARCOS RETIRES 17 GENERALS, 13 COLONELS

OW151345 Quezon City RPN Television Network in English 1100 GMT 15 Oct 84

[From the "Newswatch" program]

[Text] The retirement of 17 generals and 13 colonels has been approved by the president. This will take effect tomorrow, October 16. The retirees include six PC [Philippine Constabulary] brigadier generals; namely Valerio Perez, Bienvenido Felix, Cesar Villarin, Edgardo Alfabeto, Nestor Ramos, and Victorino Adaza. The other retiring generals are Ismael Sabarre, Jaime Muyargas, Amadeo Forteza, Jr, and Salvador Regalado -- all of the Philippine Air Force; Commodores Ponciano Bautista, Dante de Guzman, Benjamin Facto, (Roberto Ampig), and Generals Rodolfo Punsalang and Benjamin (Duque).

At the same time the president has extended the tour of duty of 15 generals for another 6 months. The retirement of the 17 generals will pave the way for the promotion of senior colonels to brigadier generals.

#### NPA OCCUPIES TOWNS IN NEGROS OCCIDENTAL

HK140148 Manila Far East Broadcasting Company in Tagalog 2230 GMT 13 Oct 84

[Text] Some towns in Negros Occidental are being occupied by communist saboteurs and agitators with the aim of disrupting business activities and laying the blame on the military. This was reported by Major General Josephus Ramos, commanding general of the Philippine Army, who said that NPA extortionists are not only collecting taxes from people in these areas but are also getting rice, canned food and cash from them. Ramos said that certain homes in these areas are being used by the NPA as contact points for their tax-collecting activities and for obtaining items required by NPA members.

#### ARMY FOILS NPA ATTEMPT TO TAKE OVER TOWN

HK150518 Manila Far East Broadcast Company in English 2300 GMT 14 Oct 84

[Text] An attempt by the communist guerrillas to take over the town of San Francisco, Surigao del Norte, was foiled Friday night by government troopers. Reports reaching Brigadier General Madrino Munoz, the commander of the 18th Regional Unified Command, said five of the rebels were killed during a 30-minute gunbattle at Barangay Diaz, San Francisco, Surigao del Norte.

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16 Oct 1984

